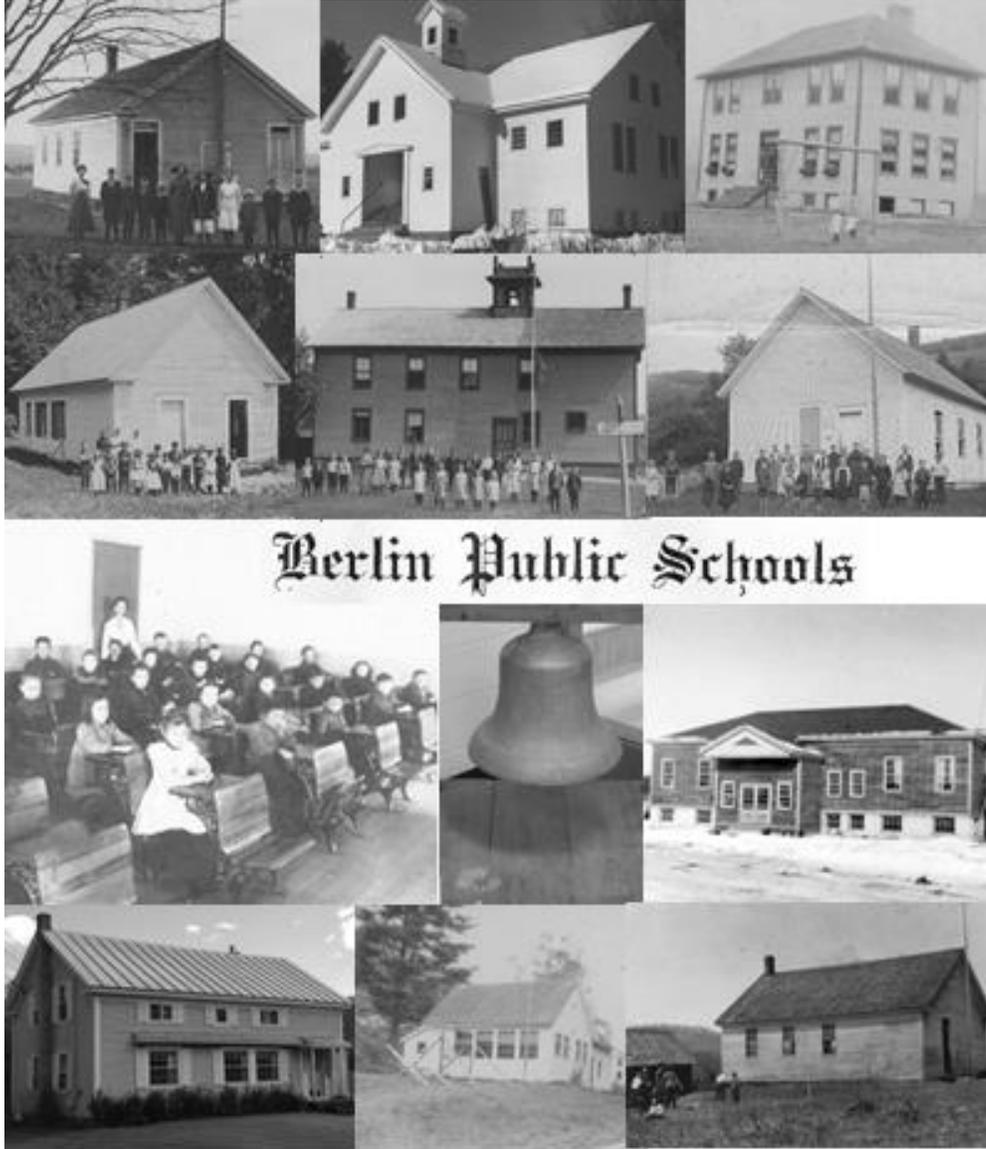


TOWN OF BERLIN, VERMONT  
2015 SCHOOL DISTRICT ANNUAL REPORT



**PLEASE BRING THIS REPORT WITH YOU TO TOWN MEETING**

**AT BERLIN ELEMENTARY SCHOOL**

**TUESDAY, MARCH 1<sup>st</sup>, 2016 at 10am**

Pre Town Meeting will be on Monday, February 29<sup>th</sup> at 6pm at Berlin Elementary School

(SEE REVERSE FOR TOWN REPORT)

*Cover photos from the Berlin Historical Society. These images include most of the schools located in Berlin, Vermont over the years. The Town was divided into districts and children attended the school in their area. If you would like more information, please contact the Historical Society.*



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*Families enjoying the annual school picnic*



*No String Marionettes engaged students in workshops*

## 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 1, 2016 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, 2016 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 2016-2017 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.

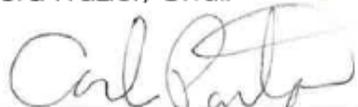
- ARTICLE 6.** To elect the following School Directors:
- |                         |  |
|-------------------------|--|
| One (1) School Director | Two (2) Year Term                      |
| One (1) School Director | Three (3) Year Term                    |
| One (1) School Director | One (1) Year of a Three (3) Year Term  |
| One (1) School Director | Two (2) Years of a Three (3) Year Term |
- ARTICLE 7.** Shall the voters of the school district approve the school board to expend \$3,380,876, which is the amount the school board has determined to be necessary for the ensuing fiscal year? It is estimated that this proposed budget, if approved, will result in education spending of \$15,891 per equalized pupil. This projected spending per equalized pupil is 1.31% higher than spending for the current year.

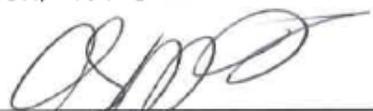
A public hearing will be held at the Berlin Elementary School on Monday, February 29, 2016 at 6:00 P.M. to provide information on articles to be voted by Australian ballot at Town Meeting.

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

  
\_\_\_\_\_  
Vera Frazier, Chair

  
\_\_\_\_\_  
Carl Parton, Vice Chair

  
\_\_\_\_\_  
Amy Tucker, Clerk

  
\_\_\_\_\_  
Jason Giroux

  
\_\_\_\_\_  
Christopher Winters

# BERLIN ELEMENTARY SCHOOL REPORT FROM THE BOARD OF DIRECTORS

Fellow Community Members,

Berlin Elementary School is celebrating 47 years of service to our community. While this is a great milestone it also comes with realizing the true age of the building. The building has much of the original infrastructure that was built in 1969 with minimal improvements or updates. The surface of the school looks great, but the reality is the condition of the school is in much need of some major updates. The Board has had some major issues to deal with this past year which include the schools heating system, the copper water pipes, the gym floor and electrical issues. Over the past few years with taxes increasing the Board has been forced to delay repairs in order to keep the school tax impact to a minimum, while keeping students' needs the focus of our spending. We have come to the point where we need to take action on the repairs that need to be made. The building is used by many in our community and we want to continue with the school being the focal point of our community. This will be the focus for the Board in the next year.

The Board looked at various budgets to determine what would best meet the needs of all students, while balancing the new ACT46 laws and minimal tax impact to our community. This proposed budget is a -1.44% Net Impact on Taxes. Here is a summary of the Berlin 20162017 School Budget:

- Requested Expense Budget is \$3,380,876 or a .35% increase over the previous year.
  - Salaries and Benefits are projected to increase by \$5,781 or .17%
  - Non-salary items are projected to increase by \$5,909 or .18%
- Due to additional revenues, the Net Impact on Taxes is -1.44%
- Tax Summary: These numbers include 2015 Common Level of Appraisal, information provided by the Agency of Education (Property Yield, Equalized Pupils, State-wide Tax Rate), School Budgets
  - The combined total projected tax reduction is -2.9 Cents or -\$29 for a \$100k Homestead.
    - The Berlin Elementary Budget is projected to reduce taxes by -2.0 cents.
    - The Town of Berlin's share of the U-32 Budget is projected to reduce taxes by -9 cents.
  - Non-residential properties are projected to increase taxes by .4 cents or \$4 for a \$100k property.

Berlin Elementary School 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 are proud to have so many teachers that have been at Berlin for many years. We encourage you to read the Principal's Report to learn more about the school's progress toward goals and initiative. We also encourage you to read the WCSU Superintendent's report for more information regarding the school budget process and legislative changes that impact the 2016-2017 budget.

We encourage our 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.

Vera Frazier  
Carl Parton  
Amy Tucker  
Chris Winters  
Jason Giroux



Vera Frazier                  Carl Parton                  Amy Tucker                  Chris Winters                  Jason Giroux.



*Officer Jared Mitchell visiting one of the classrooms at Berlin Elementary School.*

# BERLIN ELEMENTARY SCHOOL PRINCIPAL'S ANNUAL REPORT

## School Report 2015-2016



**Carol Amos, Principal**

If you were to walk through the doors at Berlin Elementary School on any given day, you would be entering an environment that is full of energy. Students and staff are constantly involved in activities that challenge students academically, while responding to the social and emotional growth of our youngest citizens. Our expectations for being safe, respectful, and ready are engrained in everything we do. All this happens on a campus that is inviting and clean.

Last year the staff worked to create a Continuous Improvement Plan (CIP which can be found at <http://www.berlinschool.org>). This plan addresses work needed to be completed in the areas of literacy, mathematics, and social/emotional growth. New this year, district wide, students are dismissed early on Wednesdays to provide time for important staff work in professional development, data analysis, and curriculum development. The work completed on these Wednesdays, along with work completed during district professional development days, directly aligns with the CIP-targeted goals.

In literacy, our CIP targets both reading and writing. Based upon data provided by both the Fountas and Pinnell and the Developmental Reading Assessments, teachers identified “quick start” students who are receiving instruction during re-teach time, focusing in on grades K - 4 for the first 6 weeks. In June 2015 members of the WCSU Literacy Steering Committee came together to create common writing prompts and rubrics in Grades K-6. These prompts and the rubrics are aligned to our WCSU student achievement non-negotiables in writing. The writing prompts were/will be piloted in the assessments this year in November, February and May.

In the area of mathematics, on-going professional development has been provided by both the Washington Central mathematics coach and Berlin’s math interventionist. New rubrics are being used by the teachers to provide on-going formative assessment. Formal assessments such as the EasyCBM and Primary Number and Operations assessment (PNO) have also been completed to assist in identification of student grouping during intervention. Mahesh Sharma, mathematics expert hired through WCSU, recently held two workshops at Berlin, focusing on teaching 3rd and 5th grade math lessons.

New this year, walkthrough observations of teachers’ work is being completed frequently and being recorded in “TeachPoint”, a new software program which provides immediate feedback to the teachers and aligns with Danielson Framework for Teaching.

[www.danielsongroup.org/framework](http://www.danielsongroup.org/framework)

Student social and emotional growth continues through the 3rd year of implementation of Positive Behavioral Interventions and Supports (PBIS). Establishing a Safe, Respectful, and Ready environment has been the focus of the PBIS team. Since Berlin was successful in completing the implementation phase of PBIS, we have moved into the Tier II phase. To help assure successful implementation of Tier II, staff member Lucia Burke has completed training to become a Registered Behavioral Technician (RBT). Lucia has been working hard to help students who need a little extra adult supervision to be successful. Community meetings, schoolwide and classroom celebrations, and individual acknowledgments through the Principal's "Top 100" continue as well.

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 the Open House.

Gary Delphia, Chuck Paquet, and Barbara Richards work hard every day to keep our building in shape. New this year, in part funded by a generous donation from Berlin's Parent Teacher Neighbor Association (PTNA), Gary is making new cubbies for each classroom. Outside, visitors are happy to see the results of the new town grader that was purchased at the end of last year - no more ruts and muddy holes in the parking lot! These three dedicated individuals do more than can be listed in this short report. Although there continue to be constant facility updates needed, the daily maintenance of the building is outstanding.

Please come and visit the school any time. There are many wonderful opportunities for individuals who have a little extra time to volunteer. You can find out about volunteer opportunities by checking our PTNA website: <https://sites.google.com/a/wcsu32.org/berlin-ptna>, or join in on one of their monthly meetings. Meeting times are also posted on their website. Berlin is very fortunate to have such a committed organization.

I truly feel fortunate to be part of this wonderful community. It is a privilege to work with such dedicated staff, amazing students, and supportive families.

Respectful submitted by,  
Caro Amos  
Principal



## BERLIN ELEMENTARY SCHOOL BUDGET 2016 - 2017

### BERLIN ELEMENTARY SCHOOL BUDGET 2016-2017

DESCRIPTION	Actual 2015	W/SPEDCHG BUDGET 2016	PROJECTED2016	Final BUDGET 2017
<b>REVENUES</b>				
EARNINGS ON INVESTMENTS	\$34,888	\$21,475	\$30,305	\$30,305
MISCELLANEOUS INC-PURCH DISC	\$1,142	\$1,000	\$1,000	\$1,000
MISC INCOME-ERATE	\$12,110	\$4,700	\$4,700	\$4,700
MISC INCOME-OTHER	\$14,358	\$2,000	\$2,986	\$2,000
EDUC. SPENDING REVENUES FROM STATE	\$2,750,142	\$2,812,154	\$2,812,154	\$2,796,882
STATE AID TRANSPORTATION	\$48,595	\$47,888	\$47,888	\$52,639
ARRA JOBS FUND	\$0	\$0	\$0	\$0
MISCELLANEOUS INCOME-SPED	\$860	\$0	\$0	\$0
MAINSTREAM BLOCK GRANT	\$85,410	\$87,018	\$87,018	\$64,997
SPED EXPENDITURE REIMBURSEMENT	\$300,023	\$331,571	\$364,702	\$365,754
SPED EXTRAORDINARY REIMBURSEMENT	\$33,561	\$58,802	\$37,620	\$34,157
EEE GRANT	\$24,141	\$24,780	\$24,780	\$28,442
<b>SUBTOTAL REVENUES</b>	<b>\$3,282,808</b>	<b>\$3,369,186</b>	<b>\$3,392,951</b>	<b>\$3,380,876</b>
FUND BALANCE	\$0	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$3,282,808</b>	<b>\$3,369,186</b>	<b>\$3,392,951</b>	<b>\$3,380,876</b>

### EXPENSES

#### INSTRUCTIONAL SERVICES

SALARIES-REGULAR-PROFESS.	\$784,558	\$811,262	\$749,075	\$778,787
SALARIES-REGULAR-TECH.	\$14,916	\$15,889	\$15,889	\$15,851
SALARIES-TEMPORARY-SUBSTITUTES	\$33,598	\$30,000	\$30,000	\$30,000
SALARIES-TEMPORARY-MENTORS	\$0	\$4,000	\$4,000	\$4,000
SALARIES-TEMPORARY-HOMEWORK CLUB	\$3,225	\$4,000	\$4,000	\$4,000
HEALTH BENEFITS	\$159,887	\$187,020	\$155,184	\$187,651
SOCIAL SECURITY/MEDICARE	\$81,014	\$84,017	\$58,413	\$81,522
OPEB ASSESSMENT	\$0	\$5,800	\$5,800	\$0
RETIREMENT BENEFITS	\$740	\$919	\$919	\$951
SECTION 125 BENEFIT	\$847	\$831	\$831	\$832
WORKMENS COMPENSATION	\$4,995	\$7,088	\$4,040	\$5,370
UNEMPLOYMENT COMPENSATION	\$4,423	\$5,327	\$1,834	\$1,943
TUITION REIMBURSEMENT	\$18,546	\$25,000	\$23,994	\$25,000
DENTAL BENEFITS	\$5,939	\$6,433	\$5,893	\$6,015
DISABILITY BENEFITS	\$2,117	\$3,214	\$3,027	\$3,162
PROFESSIONAL EDUC SVCS-FIELD TRIPS	\$1,874	\$5,000	\$5,000	\$3,000
OTHER PROFESSIONAL SVCS & PLP	\$1,675	\$4,500	\$4,500	\$2,000
GENERAL SUPPLIES-INSTR. & SPORTS	\$28,048	\$25,525	\$21,091	\$25,525
GENERAL SUPPLIES-TESTING & DATA WAREH	\$1,858	\$2,400	\$2,400	\$2,400
BOOKS AND PERIODICALS	\$8,527	\$17,535	\$17,535	\$9,535
DUES & FEES	\$220	\$0	\$196	\$0
<b>TOTAL INSTRUCTIONAL SERVICES</b>	<b>\$1,136,807</b>	<b>\$1,205,540</b>	<b>\$1,114,421</b>	<b>\$1,147,544</b>

#### PRESCHOOL PROGRAM

SALARIES-REGULAR-PROFESS.	\$27,451	\$35,573	\$38,509	\$40,008
SALARIES-REGULAR-TECH.	\$13,328	\$15,731	\$15,728	\$16,278
HEALTH BENEFITS	\$10,846	\$13,201	\$13,201	\$10,625
SOCIAL SECURITY/MEDICARE	\$2,948	\$3,754	\$3,978	\$4,168
RETIREMENT BENEFITS	\$851	\$944	\$944	\$977
SECTION 125 BENEFIT	\$55	\$124	\$124	\$130
WORKMENS COMPENSATION	\$420	\$382	\$382	\$347
UNEMPLOYMENT COMPENSATION	\$330	\$302	\$302	\$124
TUITION REIMBURSEMENT	\$525	\$800	\$1,610	\$800
DENTAL BENEFITS	\$315	\$784	\$816	\$833
DISABILITY BENEFITS	\$122	\$195	\$206	\$213
TUITION & SHARED SU SERVICES	\$0	\$0	\$0	\$33,296
GENERAL SUPPLIES	\$1,423	\$900	\$2,500	\$900
<b>TOTAL PRESCHOOL PROGRAM</b>	<b>\$58,414</b>	<b>\$72,690</b>	<b>\$78,300</b>	<b>\$108,699</b>

#### GUIDANCE SERVICES

SALARIES-REGULAR-PROFESS.	\$59,296	\$81,371	\$82,118	\$84,292
HEALTH BENEFITS	\$17,929	\$18,858	\$18,858	\$20,348
SOCIAL SECURITY/MEDICARE	\$4,235	\$4,450	\$4,507	\$4,654

**BERLIN ELEMENTARY SCHOOL  
BUDGET 2016-2017**

DESCRIPTION	Actual 2015	W/SPEDCHG		Final
		BUDGET 2016	PROJECTED2016	BUDGET 2017
SECTION 125 BENEFIT	\$55	\$62	\$62	\$65
WORKMENS COMPENSATION	\$491	\$516	\$516	\$424
UNEMPLOYMENT COMPENSATION	\$367	\$388	\$388	\$151
TUITION REIMBURSEMENT	\$145	\$1,300	\$1,150	\$1,300
DENTAL BENEFITS	\$521	\$541	\$541	\$552
DISABILITY BENEFITS	\$165	\$249	\$249	\$261
GENERAL SUPPLIES	\$314	\$130	\$180	\$100
BOOKS AND PERIODICALS	\$63	\$0	\$100	\$150
<b>TOTAL GUIDANCE SERVICES</b>	<b>\$83,581</b>	<b>\$87,863</b>	<b>\$88,667</b>	<b>\$92,297</b>

**HEALTH SERVICES**

SALARIES-REGULAR-PROF.OTH	\$56,176	\$56,162	\$55,370	\$57,308
HEALTH INSURANCE	\$14,488	\$15,088	\$15,088	\$16,278
SOCIAL SECURITY/MEDICARE	\$3,568	\$4,101	\$4,040	\$4,173
SECTION 125 BENEFIT	\$55	\$62	\$62	\$65
WORKMENS COMPENSATION	\$450	\$461	\$461	\$367
UNEMPLOYMENT COMPENSATION	\$345	\$353	\$353	\$135
TUITION REIMBURSEMENT	\$798	\$1,300	\$1,300	\$1,300
DENTAL BENEFITS	\$420	\$432	\$432	\$441
DISABILITY BENEFITS	\$154	\$228	\$228	\$232
REPAIRS AND MAINTENANCE	\$211	\$40	\$100	\$0
GENERAL SUPPLIES	\$1,565	\$1,975	\$1,915	\$1,965
BOOKS AND PERIODICALS	\$49	\$88	\$88	\$88
<b>TOTAL HEALTH SERVICES</b>	<b>\$78,279</b>	<b>\$80,288</b>	<b>\$79,435</b>	<b>\$82,352</b>

**CURRICULUM SERVICES**

SUPERVISORY UN SERVICES-CURRIC	\$21,918	\$17,854	\$17,854	\$19,218
<b>TOTAL CURRICULUM SERVICES</b>	<b>\$21,918</b>	<b>\$17,854</b>	<b>\$17,854</b>	<b>\$19,218</b>

**LIBRARY SERVICES**

SALARIES-REGULAR-PROFESS.	\$35,761	\$37,092	\$36,621	\$38,089
SOCIAL SECURITY/MEDICARE	\$2,736	\$2,838	\$2,801	\$2,914
SECTION 125 BENEFIT	\$55	\$62	\$62	\$65
WORKMENS COMPENSATION	\$274	\$278	\$278	\$221
UNEMPLOYMENT COMPENSATION	\$205	\$208	\$206	\$79
TUITION REIMBURSEMENT	\$1,080	\$1,300	\$1,300	\$1,300
DENTAL BENEFITS	\$315	\$324	\$324	\$331
DISABILITY BENEFITS	\$90	\$133	\$133	\$136
REPAIRS AND MAINTENANCE	\$0	\$0	\$0	\$0
GENERAL SUPPLIES	\$544	\$880	\$880	\$435
BOOKS AND PERIODICALS	\$7,009	\$4,750	\$4,272	\$4,750
AUDIOVISUAL MATERIALS/SOFTWARE	\$368	\$0	\$478	\$0
<b>TOTAL LIBRARY SERVICES</b>	<b>\$48,437</b>	<b>\$47,861</b>	<b>\$47,353</b>	<b>\$48,320</b>

**TECHNOLOGY SERVICES**

SALARIES-REGULAR-PROFESS.	\$21,158	\$21,899	\$21,584	\$22,339
SOCIAL SECURITY/MEDICARE	\$1,619	\$1,675	\$1,651	\$1,709
WORKMENS COMPENSATION	\$183	\$184	\$184	\$147
UNEMPLOYMENT COMPENSATION	\$137	\$138	\$138	\$52
TUITION REIMBURSEMENT	\$0	\$200	\$0	\$200
DENTAL BENEFITS	\$210	\$216	\$216	\$221
DISABILITY BENEFITS	\$60	\$89	\$89	\$91
PROFESSIONAL SERVICES	\$0	\$2,100	\$2,100	\$2,100
SUPERV UNION SERVICES	\$48,881	\$45,705	\$45,705	\$45,657
SUPERV UNION SERVICES-NETWORK SUPPC	\$0	\$0	\$0	\$0
REPAIRS & MAINTENANCE	\$0	\$1,000	\$1,000	\$1,000
RENTALS & LEASES-COPIER	\$2,968	\$2,000	\$3,359	\$5,000
COMMUNICATIONS-TELEPHONE/WAN	\$12,828	\$13,500	\$13,700	\$13,500
GENERAL SUPPLIES	\$3,384	\$5,000	\$5,000	\$5,000
COMPUTER SOFTWARE	\$8,998	\$10,300	\$10,300	\$13,554
EQUIPMENT	\$19,289	\$29,750	\$29,750	\$29,750
<b>TOTAL TECHNOLOGY SERVICES</b>	<b>\$119,715</b>	<b>\$133,756</b>	<b>\$134,776</b>	<b>\$140,320</b>

**BERLIN ELEMENTARY SCHOOL  
BUDGET 2016-2017**

<u>DESCRIPTION</u>	<u>Actual 2015</u>	<u>W/SPEDCHG BUDGET 2016</u>	<u>PROJECTED2016</u>	<u>Final BUDGET 2017</u>
<b>BOARD OF EDUCATION SVCS.</b>				
SALARIES-TEMPORARY-CLERICAL	\$1,113	\$750	\$750	\$751
SOCIAL SECURITY/MEDICARE	\$70	\$58	\$58	\$58
LEGAL SERVICES	\$554	\$1,500	\$1,500	\$1,500
ADVERTISING	\$1,356	\$2,000	\$2,000	\$2,000
TRAVEL	\$0	\$100	\$100	\$100
GENERAL SUPPLIES	\$308	\$400	\$400	\$400
DUES & FEES	\$1,755	\$1,750	\$1,750	\$1,750
<b>TOTAL BOARD OF EDUCATION SVCS.</b>	<b>\$5,217</b>	<b>\$6,558</b>	<b>\$6,558</b>	<b>\$6,559</b>
<b>OFFICE OF SUPERINTENDENT</b>				
SUPERVISORY UN SERVICES-SUPT	\$58,630	\$53,109	\$53,109	\$53,361
SUPERVISORY UN SERVICES-CRIMINAL REG	\$1,000	\$1,000	\$1,000	\$1,000
<b>TOTAL OFFICE OF SUPERINTENDENT</b>	<b>\$57,630</b>	<b>\$54,109</b>	<b>\$54,109</b>	<b>\$54,361</b>
<b>OFFICE OF THE PRINCIPAL</b>				
SALARIES-REGULAR-ADMIN.	\$82,000	\$84,870	\$84,870	\$87,840
SALARIES-REGULAR-CLERICAL	\$70,836	\$57,028	\$56,897	\$60,304
SALARIES-TEMPORARY	\$1,250	\$3,500	\$3,500	\$3,500
HEALTH BENEFITS	\$37,536	\$32,020	\$32,020	\$38,411
SOCIAL SECURITY/MEDICARE	\$11,070	\$10,707	\$14,288	\$11,102
RETIREMENT BENEFITS	\$3,462	\$2,384	\$3,414	\$3,618
SECTION 125 BENEFIT	\$165	\$124	\$188	\$195
WORKMENS COMPENSATION	\$1,397	\$1,221	\$1,221	\$1,001
UNEMPLOYMENT COMPENSATION	\$1,045	\$914	\$614	\$356
TUITION REIMBURSEMENT	\$864	\$2,000	\$1,250	\$2,000
DENTAL BENEFITS	\$1,576	\$1,081	\$1,352	\$1,380
DISABILITY BENEFITS	\$427	\$505	\$575	\$601
OTHER PROFESSIONAL SVCS	\$0	\$0	\$0	\$0
REPAIRS AND MAINTENANCE	\$359	\$1,000	\$0	\$1,000
COMMUNICATIONS-POSTAGE	\$2,085	\$2,500	\$4,700	\$2,500
TRAVEL	\$479	\$400	\$1,150	\$400
GENERAL SUPPLIES	\$3,628	\$4,000	\$4,000	\$4,000
DUES & FEES	\$595	\$525	\$800	\$525
<b>TOTAL OFFICE OF THE PRINCIPAL</b>	<b>\$218,574</b>	<b>\$204,777</b>	<b>\$210,835</b>	<b>\$218,733</b>
<b>FISCAL SERVICES</b>				
SUPERVISORY UN SERVICES	\$41,965	\$39,659	\$39,659	\$42,147
<b>TOTAL FISCAL SERVICES</b>	<b>\$41,965</b>	<b>\$39,659</b>	<b>\$39,659</b>	<b>\$42,147</b>
<b>INTEREST EXPENSE</b>				
INTEREST EXPENSE-REVENUE ANTICIPATION	\$30,116	\$31,475	\$40,305	\$40,305
<b>TOTAL INTEREST EXPENSE</b>	<b>\$30,116</b>	<b>\$31,475</b>	<b>\$40,305</b>	<b>\$40,305</b>
<b>AUDITING SERVICES</b>				
AUDIT SERVICES	\$4,550	\$4,550	\$4,550	\$4,550
<b>TOTAL AUDITING SERVICES</b>	<b>\$4,550</b>	<b>\$4,550</b>	<b>\$4,550</b>	<b>\$4,550</b>
<b>OPERATION AND MAINT.PLANT</b>				
SALARIES-REGULAR-SERVICE	\$104,522	\$105,613	\$105,613	\$109,903
SALARIES-TEMPORARY	\$8,401	\$10,000	\$10,000	\$10,350
HEALTH BENEFITS	\$28,642	\$28,381	\$28,381	\$38,079
SOCIAL SECURITY/MEDICARE	\$8,242	\$8,478	\$8,478	\$8,705
RETIREMENT BENEFIT	\$1,597	\$1,870	\$4,541	\$4,700
SECTION 125 BENEFIT	\$165	\$188	\$188	\$195
WORKMENS COMPENSATION	\$946	\$971	\$971	\$794
UNEMPLOYMENT COMPENSATION	\$707	\$727	\$427	\$283
DENTAL BENEFITS	\$1,570	\$1,622	\$1,622	\$1,655
DISABILITY BENEFITS	\$308	\$428	\$428	\$448
SU SHARED SVCS-ASBESTOS	\$1,048	\$1,000	\$1,000	\$1,000
WATER & SEWER	\$8,211	\$7,500	\$7,500	\$7,500
DISPOSAL SERVICES	\$2,798	\$2,650	\$2,650	\$2,650
SNOW PLOWING	\$3,450	\$3,200	\$3,200	\$3,200
REPAIRS AND MAINTENANCE	\$24,664	\$20,000	\$15,600	\$20,000
REPAIRS AND MAIN-GRDS	\$2,174	\$1,000	\$1,000	\$1,000

BERLIN ELEMENTARY SCHOOL  
BUDGET 2016-2017

DESCRIPTION	Actual 2015	W/SPEDCHG BUDGET 2016	PROJECTED2016	Final BUDGET 2017
<b>REPAIRS &amp; MAINTEN-FURNACE</b>	\$890	\$5,000	\$5,000	\$5,000
INSURANCE	\$8,025	\$8,053	\$8,950	\$9,500
TRAVEL	\$265	\$800	\$800	\$800
GENERAL SUPPLIES	\$13,709	\$10,000	\$14,400	\$10,000
ELECTRICITY	\$31,978	\$37,000	\$37,000	\$37,000
OIL	\$61,572	\$61,000	\$61,000	\$61,000
OTHER ENERGY - WOOD CHIPS	\$0	\$0	\$0	\$0
EQUIPMENT	\$6,179	\$4,000	\$4,000	\$4,000
<b>TOTAL OPER. AND MAINT.PLANT</b>	<b>\$317,861</b>	<b>\$319,477</b>	<b>\$322,745</b>	<b>\$337,760</b>
<b>STUDENT TRANSPORTATION SV</b>				
STUDENT TRANSPORTATION SV	\$114,793	\$117,202	\$117,202	\$120,265
STUDENT TRANS-FIELD TRIPS	\$1,732	\$3,000	\$3,000	\$3,000
<b>TOTAL STUDENT TRANSP. SV</b>	<b>\$116,525</b>	<b>\$120,202</b>	<b>\$120,202</b>	<b>\$123,265</b>
<b>DEBT SERVICE</b>				
INTEREST	\$5,000	\$5,000	\$5,000	\$5,000
INTEREST-WATER LOAN	\$0	\$9,000	\$9,000	\$6,000
PRINCIPAL	\$26,000	\$26,000	\$26,000	\$26,000
PRINCIPAL-WATER LOAN	\$0	\$0	\$0	\$0
<b>TOTAL DEBT SERVICE</b>	<b>\$31,000</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>\$37,000</b>
<b>TRANSFER TO OTHER FUNDS</b>				
FOOD SERVICE	\$51,336	\$40,000	\$40,000	\$40,000
PLAYGROUND/CAPITAL	\$0	\$0	\$170,000	\$0
<b>TOTAL TRANSFER TO OTHER FUNDS</b>	<b>\$51,336</b>	<b>\$40,000</b>	<b>\$210,000</b>	<b>\$40,000</b>
<b>INSTRUCTIONAL SVC-SP ED.</b>				
SALARIES-REGULAR-PROFESS.	\$164,296	\$0	\$0	\$0
SALARIES-REGULAR-TECH.	\$143,462	\$159,682	\$159,584	\$168,407
SALARIES-TEMPORARY	\$12,367	\$0	\$0	\$0
HEALTH BENEFITS	\$81,861	\$52,353	\$46,889	\$49,042
SOCIAL SECURITY/MEDICARE	\$22,299	\$11,536	\$11,600	\$12,247
RETIREMENT BENEFITS	\$5,518	\$7,105	\$9,193	\$9,280
SECTION 125 BENEFIT	\$550	\$372	\$434	\$455
WORKMENS COMPENSATION	\$2,844	\$1,270	\$1,270	\$1,021
UNEMPLOYMENT COMPENSATION	\$2,128	\$950	\$950	\$363
TUITION REIMBURSEMENT	\$1,942	\$0	\$0	\$0
DENTAL BENEFITS	\$3,529	\$3,135	\$3,217	\$3,283
DISABILITY BENEFITS	\$867	\$560	\$621	\$627
OTHER PROFESSIONAL SVCS & WCMH	\$163,837	\$0	\$0	\$0
COMMUNICATIONS	\$2,000	\$0	\$0	\$0
GENERAL SUPPLIES	\$4,769	\$0	\$0	\$0
EQUIPMENT	\$424	\$0	\$0	\$0
<b>TOTAL INSTRUCTIONAL SVC-SP ED.</b>	<b>\$612,693</b>	<b>\$236,963</b>	<b>\$233,758</b>	<b>\$244,725</b>
<b>SUPPORT PROGRAM</b>				
SHARED SU SERVICES	\$85,291	\$551,101	\$531,084	\$508,892
<b>TOTAL SUPPORT PROGRAMS</b>	<b>\$85,291</b>	<b>\$551,101</b>	<b>\$531,084</b>	<b>\$508,892</b>
<b>SU ASSESSMENTS</b>				
SUPERVISORY UN SERV-SPED	\$65,843	\$59,247	\$59,247	\$64,404
SUPERVISORY UN SERV-EARLY ED PROG	\$8,622	\$7,360	\$7,360	\$9,252
<b>TOTAL SU ASSESSMENTS</b>	<b>\$74,465</b>	<b>\$66,607</b>	<b>\$66,607</b>	<b>\$73,656</b>
<b>ENGLISH LANGUAGE LEARNER</b>				
SALARIES-TEMPORARY-ESL	\$0	\$7,200	\$8,578	\$9,372
SOCIAL SECURITY/MEDICARE	\$0	\$551	\$656	\$717
WORKMENS COMPENSATION	\$0	\$60	\$60	\$62
UNEMPLOYMENT COMPENSATION	\$0	\$45	\$45	\$22
TRAVEL	\$0	\$0	\$0	\$0
<b>ENGLISH LANGUAGE LEARNER</b>	<b>\$0</b>	<b>\$7,856</b>	<b>\$9,339</b>	<b>\$10,173</b>
<b>TOTAL EXPENSES</b>	<b>\$3,194,374</b>	<b>\$3,369,186</b>	<b>\$3,450,557</b>	<b>\$3,380,876</b>
	\$88,434	\$0	-\$57,607	\$0

Berlin Elementary School  
Summary of Changes Budget 2017 vs. 2016

	Final	Entire Budget % Change		
<b>Staffing Changes:</b>				
<b>Negotiated Items</b>				
Salary Increases	\$54,550	1.62%		
Health Insurance Inflation(7.9%) & Coverage Changes	\$28,728	0.85%		
Other Benefit Changes	\$550	0.02%		
<b>Subtotal Negotiated Items</b>	<b>\$83,826</b>	<b>2.49%</b>		
<b>Staffing Changes:</b>				
Staffing Turnover & changes(Salary & Benefits) FY15-16	-\$78,045	-2.32%		
<b>Subtotal Staffing Changes</b>	<b>-\$78,045</b>	<b>-2.32%</b>		
<b>Total Staffing Change</b>	<b>\$5,781</b>	<b>0.17%</b>	<b>Budget FY 16</b> \$2,055,173	<b>Budget FY 17</b> \$2,060,954
<b>Nonsalary changes:</b>				
School-wide Expenses	-\$9,621	-0.29%		
Interest Expense	\$8,830	0.26%		
WCSU Assessments-Draft to Full Board	\$11,105	0.33%		
Opn of Plant Svcs-Insurance	\$1,447	0.04%		
Student Transportation Svcs	\$3,061	0.09%		
Other Fund Transfers-Capital	\$0	0.00%		
Special Services Program Costs-Tuition & Other Professional Services	-\$42,209	-1.25%	See Revenues	
<b>Total Nonsalary</b>	<b>-\$27,387</b>	<b>-0.81%</b>	<b>Budget FY 16</b> \$1,314,013	<b>Budget FY 17</b> \$1,286,626
<b>Total Expense Budget Change(A)</b>	<b>-\$21,606</b>	<b>-0.64%</b>	<b>\$3,369,186</b>	<b>\$3,347,580</b>
<b>Revenue Changes Related to Budget Increases:</b>				
Projected Special Educ. Reimbursement for Eligible Costs	\$13,181	0.39%		
Interest Income	\$8,830	0.26%		
Student Transportation Aid & Miscellaneous Income	\$4,951	0.15%		
<b>Subtotal Revenue Changes(B)</b>	<b>\$26,962</b>	<b>0.80%</b>		
<b>Net Impact on Taxes(A-B)**</b>	<b>-\$48,568</b>	<b>-1.44%</b>		
<b>Act 166 Prekindergarten Implementation:</b>				
Preschool ADM Reimbursement(8 Addl Students)	\$33,298	0.99%		
Preschool Program changes-Per State Law-Draft #1(C)	\$33,298	0.99%		
<b>Budget Net Impact on Tax Calculation</b>	<b>\$0</b>			
<b>Combined Expense Budget(A+C)</b>	<b>\$11,690</b>	<b>0.35%</b>	<b>\$3,369,186</b>	<b>\$3,380,876</b>
<b>Total Estimated Allowable Increase-Per AOE-Using 176.01 Eq Pup</b>	<b>-\$15,073</b>			
Projected Ed Spending Change(Net impact on Taxes)**	-\$48,568			
Preschool Program Changes	\$33,298			
Subtotal for Allowable Increase Formula	-\$15,272			
<b>Reduction Needed(Below) Target</b>	<b>-\$199</b>			

## BERLIN ELEMENTARY SCHOOL DISTRICT SALARY & BENEFIT PROJECTION

**Berlin Elementary School District  
Salary & Benefit Projection  
As of December 17, 2015**

**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 &amp; Benefits</u>	FTE	Position
Amos Carol	\$84,870	\$106,175	1.00	Principal
Anderson Debra	\$20,727	\$38,341	1.00	Food Service Worker
Andreolleti Nancy	\$25,812	\$32,458	1.00	Paraeducator
Audet Lisa	\$22,917	\$45,590	1.00	Paraeducator
Boucher Jane	\$65,562	\$90,194	1.00	Classroom Teacher
Burke Lucia	\$22,033	\$28,244	1.00	Paraeducator
Clark Marcia	\$58,918	\$71,177	0.90	Classroom Teacher
Clark Nicole	\$25,063	\$36,510	1.00	Food Service Worker
Clifton Cally	\$27,696	\$39,603	1.00	Administrative Assistant
Cykon Cynthia	\$35,071	\$42,458	0.81	Classroom Teacher
Delphia Gary	\$44,518	\$65,722	1.00	Maintenance Worker
Dessureau Amber	\$53,960	\$78,079	1.00	Classroom Teacher
Dutton-Renaud Lori	\$40,435	\$65,751	1.00	Administrative Assistant
Farone Kimberly	\$65,632	\$84,738	1.00	Classroom Teacher
Gauthier Cynthia	\$67,463	\$88,080	1.00	Classroom Teacher
Gregoire Deborah	\$22,469	\$45,074	1.00	Paraeducator
Grenier Kathy	\$23,827	\$46,637	1.00	Paraeducator
Heinz Jessica	\$62,118	\$86,978	1.00	Guidance Counselor
Hood Janice	\$27,388	\$39,186	1.00	Paraeducator
Jakubauskas Lynne	\$55,370	\$75,775	0.80	Nurse
Jones-Susmann Julie	\$53,960	\$63,494	1.00	Classroom Teacher
McHugh Kay	\$53,960	\$73,350	1.00	Classroom Teacher
Paquet Hilary	\$63,783	\$88,794	1.00	Classroom Teacher
Paquet Louis	\$31,163	\$43,530	1.00	Maintenance Worker
Paquet Travis	\$61,985	\$68,206	1.00	Classroom Teacher
Pellegrini Rebecca	\$24,800	\$31,428	1.00	Paraeducator
Rogers Sarah	\$51,015	\$74,866	1.00	Classroom Teacher
Shedd Navia	\$29,931	\$40,317	0.80	Maintenance Worker
Singh Bhavana	\$47,074	\$78,169	1.00	Classroom Teacher
Smith Ashlyn	\$51,070	\$65,143	1.00	Classroom Teacher
Spencer Lynn	\$32,376	\$38,431	0.60	Classroom Teacher
Tofel Murray Michele	\$8,578	\$9,323	0.15	ELL Teacher
Turcotte Michelle	\$53,960	\$78,079	1.00	Classroom Teacher
Wagner Lynn	\$67,463	\$92,808	1.00	Classroom Teacher
Young Amy	\$53,960	\$64,034	1.00	Librarian
<b>Total</b>	<b>\$ 1,536,927</b>	<b>\$2,116,742</b>		

# TOWN OF BERLIN ESTIMATED TAX CALCULATIONS

Town of Berlin  
 Estimated Tax Calculations  
 As of January 6, 2016

NOTE: Includes Berlin Elementary and U32 Proposed Budgets.

	Education Spending Per Eq Pupil	Property Yield BaseEd Spending	District Sprr Equalized Adjustment	Equalized Pupils	TAX RATES:		Actual Nonresidential
					Equalized Homestead	Actual Homestead	
Projected Budget 16-17	\$16,129	\$9,870	163.41%	397.64	\$1,634	\$1,569	\$1,477
Budget 15-16	\$15,915	\$9,459	168.25%	406.84	\$1,666	\$1,598	\$1,473
	1.34%	4.35%		-2.26%			

Town

	Common Lev Appraisal	Actual Homestead	Actual Nonresidential
FY09-10	104.48%	\$1,246	\$1,292
FY10-11	102.55%	\$1,277	\$1,316
FY11-12	102.23%	\$1,354	\$1,330
FY12-13	103.53%	\$1,375	\$1,333
FY13-14	101.96%	\$1,454	\$1,412
FY14-15	105.33%	\$1,522	\$1,438
FY15-16	104.23%	\$1,598	\$1,473
<b>FY16-17</b>	<b>104.14%</b>	<b>\$1,569</b>	<b>\$1,477</b>

Local Tax Impact-Increase(Decrease) **-\$0.029**  
 Impact on a \$100,000 property **-\$29**

Educ Spending Per Equalized Pupil
\$16,130
\$15,890
\$16,320

Amount Per Town Elementary U32

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

TAX RATES:		
Current	Common	Appraised at 100%
Level of Appraisal	Equalized	Total Tax Rate
FY16-17 Elementary Tax Rate	-\$0.028	\$0.713
U32 Tax Rate	-\$0.037	\$0.922
TOTAL Tax Rate	-\$0.065	\$1.634

# THREE PRIOR YEARS COMPARISON

PRELIMINARY

Three Prior Years Comparisons - Format as Provided by AOE

ESTIMATES  
ONLY

District: <b>Berlin</b> County: <b>Washington</b>		<b>T019</b> <b>Washington Central</b>				Property dollar equivalent yield	Homestead tax rate per \$0.870 of spending per equalized pupil
				9,870	1.00		
				11,065	Income dollar equivalent yield per 2.0% of household income		
Expenditures		FY2014	FY2015	FY2016	FY2017		
1.	<b>Budget</b> (local budget, including special programs, full technical center expenditures, and any Act 144 expenditures)	\$3,166,235	\$3,264,970	\$3,369,186	\$3,380,876		
2.	plus Sum of separately warned articles passed at town meeting	-	-	-	-		
3.	minus Act 144 Expenditures, to be excluded from Education Spending (encompasses West Windsor only)	-	-	-	-		
4.	<b>Locally adopted or warned budget</b>	<b>\$3,166,235</b>	<b>\$3,264,970</b>	<b>\$3,369,186</b>	<b>\$3,380,876</b>		
5.	plus Obligation to a Regional Technical Center School District if any	-	-	-	-		
6.	plus Prior year deficit repayment of deficit	-	-	-	-		
7.	<b>Total Budget</b>	<b>\$3,166,235</b>	<b>\$3,264,970</b>	<b>\$3,369,186</b>	<b>\$3,380,876</b>		
8.	S.U. assessment (included in local budget) - informational data	-	-	-	-		
9.	Prior year deficit reduction (included in expenditure budget) - informational data	-	-	-	-		
Revenues							
10.	Offsetting revenues (categorical grants, donations, tuitions, surplus, etc., including local Act 144 tax revenues)	\$541,386	\$514,828	\$557,032	\$583,994		
11.	plus Capital debt aid for eligible projects pre-existing Act 60	-	-	-	-		
12.	minus All Act 144 revenues, including local Act 144 tax revenues (encompasses West Windsor only)	-	-	-	-		
13.	<b>Offsetting revenues</b>	<b>\$541,386</b>	<b>\$514,828</b>	<b>\$557,032</b>	<b>\$583,994</b>		
14.	<b>Education Spending</b>	<b>\$2,624,849</b>	<b>\$2,750,142</b>	<b>\$2,812,154</b>	<b>\$2,796,882</b>		
15.	<b>Equalized Pupils</b>	183.84	185.16	179.29	176.01		
<b>Education Spending per Equalized Pupil</b>		<b>\$14,277.90</b>	<b>\$14,852.79</b>	<b>\$15,684.95</b>	<b>\$15,890.47</b>		
17.	minus Less ALL net eligible construction costs (or P&I) per equalized pupil	\$180.64	\$179.38	\$223.10	NA		
18.	minus Less share of SpEd costs in excess of \$50,000 for an individual (per equpup)	-	-	\$9.06	NA		
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 (per equpup)	-	-	-	NA		
20.	minus Less SpEd costs if excess is solely attributable to new SpEd spending if district has 20 or fewer equalized pupils (per equpup)	-	-	-	NA		
21.	minus Estimated costs of new students after census period (per equpup)	-	-	-	NA		
22.	minus Total tuitions if tuitioning ALL K-12 unless electorate has approved tuitions greater than average announced tuition (per equpup)	-	-	-	NA		
23.	minus Less planning costs for merger of small schools (per equpup)	-	-	-	NA		
24.	minus Teacher retirement assessment for new members of Vermont State Teachers Retirement System on or after July 1, 2015 (per equpup)	-	-	\$21.23	NA		
25.	Allowable growth per pupil spending threshold (secs. 37 & 38, Act 46, 2015)	NA	NA	NA	\$15,890.47		
26.	plus Excess Spending per Equalized Pupil over threshold (if any)	-	-	-	-		
27.	<b>Per pupil figure used for calculating District Equalized Tax Rate</b>	<b>\$14,278</b>	<b>\$14,853</b>	<b>\$15,595</b>	<b>\$15,890.47</b>		
28.	<b>District spending adjustment (minimum of 100%)</b>	156.026%	159.965%	165.820%	NA		
<b>Prorating the local tax rate</b>							
29.	Anticipated district equalized homestead tax rate (to be prorated by line 30) (\$15,890.47 ÷ (\$9,870.00 / \$1,000))	\$1,4655	\$1,5577	\$1,6415	\$1,6100		
30.	Percent of Berlin equalized pupils not in a union school district	45.05%	45.57%	44.07%	44.26%		
31.	Portion of district eq homestead rate to be assessed by town (44.26% x \$1,611)	\$0,6608	\$0,7144	\$0,7235	\$0,7126		
32.	<b>Common Level of Appraisal (CLA)</b>	101.96%	105.33%	104.23%	104.14%		
33.	Portion of actual district homestead rate to be assessed by town (\$0,7126 / 104.14%)	\$0,6811	\$0,6782	\$0,6941	\$0,6843		
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.							
34.	Anticipated income cap percent (to be prorated by line 30) [( \$15,890.47 + \$11,065 ) x 2.00%]	2.81%	2.88%	2.98%	2.87%		
35.	Portion of district income cap percent applied by State (44.26% x 2.87%)	1.27%	1.31%	1.31%	1.27%		
36.	Percent of equalized pupils at U-32 UHSD	54.94%	54.43%	55.93%	55.74%		
37.		-	-	-	-		

- Following current statute, the Tax Commissioner recommended a property yield of \$9,955 for every \$1.00 of homestead tax per \$100 of equalized property value. The Tax Commissioner also recommended an income yield of \$11,157 for a base income percent of 2.0% and a non-residential tax rate of \$1.538. New and updated data have changed the proposed property yield to \$9,870 and the income yield to \$11,065.  
 - Final figures will be set by the Legislature during the legislative session and approved by the Governor.  
 - The base income percentage cap is 2.0%.

## 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 1, 2016, 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 AM - 7:00 PM

Calais Elementary School in Calais – 7:00 AM - 7:00 PM

East Montpelier Elementary School in East Montpelier – 7:00 AM – 7:00 PM

Rumney Memorial School in Middlesex – 8:00 AM – 7:00 PM

Doty Memorial School in Worcester – 10:00 AM – 7:00 PM

A public hearing will take place at U-32, Room 131 at 6:00 PM on February 29, 2016 to provide information on the articles to be voted by Australian Ballot at the municipalities' respective Town Meetings on Tuesday, March 1, 2016.

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.

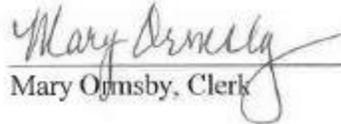
**ARTICLE 3.** To fix the annual compensation of the Union School District officers.

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

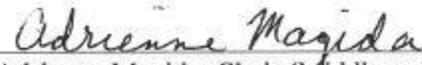
**ARTICLE 4.** Shall the voters of the Union High School District 32 approve the school board to expend \$15,357,176, which is the amount the school board has determined to be necessary for the ensuing fiscal year? It is estimated that this proposed budget, if approved, will result in education spending of \$16,320 per equalized pupil. This projected spending per equalized pupil is 1.39% higher than spending for the current 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, 2016 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?

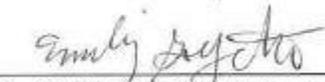
**ARTICLE 6.** Shall the School District authorize the Board of School Directors to borrow money in anticipation of the receipt of revenues for the 2016-2017 school year?

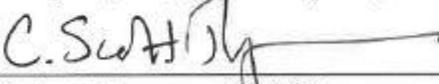
  
Mary Omsby, Clerk

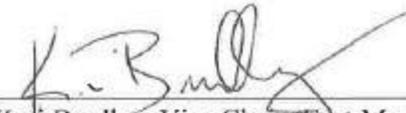
SCHOOL DIRECTORS

  
Adrienne Magida, Chair (Middlesex)

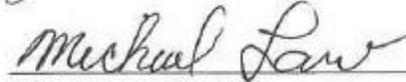
  
Carl Witke, Clerk (Worcester)

  
Emily Goyette, (East Montpelier)

  
C. Scott Thompson (Calais)

  
Kari Bradley, Vice Chair (East Montpelier)

  
Jonathan Goddard (Berlin)

  
Michael Law (Berlin)

## U-32 BUDGET SUMMARY

U-32 BUDGET SUMMARY	ACTUAL 2014-2015	BUDGET 2015-2016	PROJECTED 2015-2016	BUDGET 2016-2017
<b>REVENUES</b>				
TUITION	895,827	800,016	952,673	889,377
INVESTMENT INCOME	170,269	172,106	174,386	174,386
EDUCATION SPENDING REVENUES	11,569,718	12,189,961	12,189,961	12,327,051
MISCELLANEOUS INCOME	170,047	122,525	114,424	114,425
STATE REVENUES-MISC	260,529	252,784	262,183	261,466
SPED MAINSTREAM BLOCK GRANT	257,457	263,779	261,995	269,473
SPECIAL EDUCATION INCOME	1,359,058	1,114,544	1,335,658	1,320,998
FUND BALANCE	200,000	0	0	0
<b>SUBTOTAL REVENUES</b>	<b>\$14,882,905</b>	<b>\$14,915,715</b>	<b>\$15,291,280</b>	<b>\$15,357,176</b>
<b>EXPENSES</b>				
BUSINESS ED.	153,804	159,539	168,007	174,709
DRIVER ED.	60,234	63,862	63,094	65,290
ENGLISH	708,802	733,327	780,218	822,834
ACTING, DANCE & VISUAL ARTS	285,557	293,683	301,766	316,247
FOREIGN LANGUAGE	367,394	398,728	411,082	419,023
TECHNOLOGY ED .	183,416	183,053	184,441	208,159
LIVING ARTS	69,811	76,474	75,604	79,798
MUSIC	247,903	228,956	229,399	236,732
PHYSICAL ED.	372,753	392,602	390,287	407,105
MATHEMATICS	812,703	836,475	831,752	874,684
SCIENCE	956,161	818,963	888,184	919,154
SOCIAL STUDIES	597,776	625,817	550,239	598,436
INSTRUCTIONAL-SCHOOLWIDE	334,646	371,894	376,186	416,791
OTHER INSTRUCTION-504	2,371	5,800	5,800	5,800
OTHER INSTRUCTIONAL PROGRAMS	551,145	541,988	542,021	357,131
MIDDLESCHOOL PROGRAMS	16,430	17,480	17,480	17,480
GUIDANCE SERVICES	589,661	611,210	590,883	627,869
HEALTH SERVICES	138,308	142,459	119,551	124,156
CURRICULUM SERVICES	152,707	147,621	125,246	96,653
MEDIA SERVICE	89,840	49,510	49,510	0
SCHOOL LIBRARY SERVICES	263,665	225,316	219,136	213,485
TECHNOLOGY SERVICES	419,457	423,313	423,313	489,553
BOARD OF EDUCATION	44,355	52,700	52,700	49,700
OFFICE OF SUPERINTENDENT	188,628	200,017	200,017	193,376
OFFICE OF PRINCIPAL	853,415	882,469	916,762	944,052
FISCAL SERVICES	138,297	147,867	147,867	151,158
INTEREST EXPENSE	139,481	140,000	142,280	142,280
AUDITING SERVICES	6,950	6,950	6,950	6,950
OPERATION AND MAINTENANCE	1,266,690	1,280,944	1,284,650	1,350,085
STUDENT TRANSPORTATION SV	655,147	676,607	676,607	694,305
TRANSFERS TO OTHER FUNDS	980,081	1,081,085	1,081,085	1,079,625
SPECIAL EDUCATION PROGRAMS	528,435	540,000	515,226	439,850
SUPPORT PROGRAM	1,777,023	1,522,041	1,791,063	1,825,870
SPEECH SERVICES	29,127	30,535	30,535	31,737
SU ASSESSMENTS SPED	216,991	220,902	220,902	230,985
ENGLISH LANGUAGE LEARNERS	109	5,000	5,000	5,160
CO-CURRICULAR ACTIVITIES	707,088	780,528	739,302	740,954
<b>TOTAL EXPENSES</b>	<b>\$14,906,361</b>	<b>\$14,915,715</b>	<b>\$15,154,145</b>	<b>\$15,357,176</b>

## U-32 SCHOOL DISTRICT SALARY & BENEFIT PROJECTION

U-32 School District  
 Salary & Benefit Projection  
 As of December 17, 2015

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 &amp; Benefits</u>
Abbiati Judy	\$65,562	\$78,758
Albee Brian	\$53,960	\$63,851
Allen Beth	\$20,406	\$22,105
Allison Megan	\$51,125	\$60,279
Angel Laure	\$59,815	\$72,773
Barewicz Jessica	\$72,000	\$83,841
Barrows Stephen	\$25,486	\$27,608
Bashaw Mary	\$23,263	\$32,987
Bazis David	\$51,015	\$74,744
Bennett Eric	\$44,528	\$56,230
Bird Alden	\$54,017	\$66,462
Blackburn Christopher	\$65,464	\$90,471
Blakely Xiomara	\$32,364	\$56,385
Boulanger Chantal	\$33,011	\$57,128
Brown Ronald	\$63,714	\$88,566
Bushey Charles	\$68,078	\$95,663
Carey Bodo	\$65,562	\$85,849
Carpenter Kelly	\$19,921	\$30,004
Chaloux Sandra	\$51,015	\$60,700
Chaplin Mark	\$69,213	\$89,823
Chartrand Kristine	\$47,074	\$67,126
Christiana Kendra	\$21,039	\$26,917
Clark-Warner Heather	\$26,355	\$49,039
Cook George	\$68,936	\$80,206
Cook Vicki	\$23,814	\$35,016
Cooke Ellen	\$65,562	\$80,578
Cota Timothy	\$24,313	\$34,130
Crocco Nicole	\$44,505	\$64,329
Crossett Paula	\$53,960	\$77,949
Cueto Linda	\$22,033	\$30,476
Dalmasse Denise	\$70,362	\$81,758
David Beatrice	\$53,960	\$73,159
Davis Elizabeth	\$23,717	\$32,410
Decker Anne	\$60,083	\$70,059
Deguzzman Jodi	\$19,921	\$30,545
Desch Marguerite	\$67,463	\$81,097
Devries Aanika	\$68,180	\$88,699
Divelbliss Brian	\$63,851	\$88,715
Dugger Lloyd	\$51,015	\$60,700
Dunn Colleen	\$32,816	\$37,896
Dunn William	\$41,071	\$52,340
Dwire Jody	\$9,862	\$10,683
Dwyer Colleen	\$36,103	\$48,014
Dy Krista	\$54,017	\$73,283
Emerson Jody	\$77,128	\$97,845
Falby Meaghan	\$53,960	\$79,411
Fair Patricia	\$32,622	\$45,132
Fitch Lesley	\$51,018	\$77,808
Fournier Dennis	\$47,961	\$62,748
French Adam	\$62,953	\$76,188
Gadapee Bonnie	\$63,714	\$83,838
Galligan-Baldwin Erin	\$32,376	\$46,732
Garand Laura	\$22,917	\$31,491
Garand Travis	\$20,324	\$28,513
Gauthier Allison	\$44,458	\$56,916
George Christiana	\$24,698	\$47,580
Gilman Tina	\$21,143	\$31,948
Gonzalez Zachary	\$43,344	\$51,809
Gora Peter	\$25,812	\$37,310
Grace Caroline	\$67,312	\$78,438

U-32 School District  
 Salary & Benefit Projection  
 As of December 17, 2015

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 &amp; Benefits</u>
Griggs Janine	\$20,752	\$31,499
Grow Roger	\$51,015	\$74,744
Guiffre Catherine	\$61,985	\$88,084
Gunther Grant	\$43,251	\$56,411
Hannigan David	\$42,552	\$63,357
Harris Stephen	\$54,075	\$66,525
Heintz Benjamin	\$61,986	\$86,684
Hendershot Daniel	\$10,265	\$14,620
Hilferty John	\$64,522	\$75,401
Hill MaryEllen	\$25,071	\$43,281
Holquist Nicholas	\$60,303	\$86,253
Horowitz Michael	\$63,714	\$88,512
Houston Glenn	\$51,015	\$70,015
Hungerford Richard	\$55,909	\$71,421
Ingersoll Jennifer	\$52,743	\$71,896
Jarvis Katie	\$49,684	\$73,295
Jarvis Lucas	\$18,312	\$20,264
Jones Barrett Nicholas	\$57,999	\$77,817
Kalman Abbey	\$46,659	\$58,453
Keefe Brianne	\$44,505	\$57,508
Keese Cairsten	\$48,387	\$60,334
Keys Margaret	\$58,666	\$83,010
Kiefer Julie	\$69,482	\$90,116
Koenigbauer Amy	\$55,466	\$68,039
Lakey John	\$42,073	\$62,807
Lakey Sam	\$35,037	\$40,841
Lang Roderick	\$19,753	\$23,288
LaPlante Lisa	\$90,471	\$112,069
Leiberman Karen	\$27,009	\$32,015
Lovitz Nathan	\$43,344	\$54,845
Magoon Heather	\$26,654	\$45,099
Martin Christiana	\$42,122	\$54,914
Martin Tracy	\$43,534	\$64,485
McCann Katherine	\$69,213	\$94,497
McGinnis Devan	\$29,900	\$42,005
McKenna Sara	\$19,958	\$29,390
McMahon William	\$33,011	\$45,578
McNaulty William	\$34,348	\$47,114
Mitchell Susan	\$21,175	\$29,490
Molina Amanda	\$82,396	\$101,840
Mooney Erin	\$62,118	\$86,829
Newcomb Sharon	\$70,764	\$91,512
Orellana Riena	\$29,316	\$41,335
Pagel Heather	\$44,064	\$69,822
Palmer Victoria	\$53,960	\$73,220
Papineau Amy	\$24,579	\$33,400
Parker Samantha	\$35,643	\$51,799
Pate Stephen	\$108,675	\$133,683
Pollock Pamela	\$22,033	\$44,520
Poplawski Virginia	\$24,800	\$36,148
Randall Nanci	\$27,388	\$45,942
Ramano Sarah	\$49,694	\$60,837
Reichert Jason	\$63,851	\$88,715
Rice Lisa	\$23,306	\$28,496
Roberts Caitlin	\$37,000	\$45,445
Schaeffer Nicolle	\$52,495	\$62,311
Simmons Mary Ellen	\$65,632	\$79,104
Singleton Dorothy	\$19,921	\$42,094
Slade Jodie	\$20,752	\$43,049
Slopey Brian	\$13,493	\$14,616
St. Peter Hollis	\$53,960	\$63,905

U-32 School District  
 Salary & Benefit Projection  
 As of December 17, 2015

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 &amp; Benefits</u>
Stevens Debra	\$22,033	\$30,478
Thomas Gillian	\$47,224	\$56,895
Towne Stephen	\$63,714	\$88,566
VanDeren Lauren	\$42,657	\$56,657
Verchereau Suzanne	\$40,693	\$53,860
Volinsky Sarah	\$70,705	\$82,133
Wade Adrian	\$45,747	\$65,681
Walker Katherine	\$69,213	\$80,507
Weinstein Robert	\$42,908	\$51,875
Weiss Eric	\$26,325	\$37,111
Wendel Devin	\$54,693	\$82,029
Wheelock Ann	\$44,323	\$65,391
Wiese Kathy	\$69,213	\$89,823
Williams Christopher	\$64,982	\$75,902
Williams Dylan	\$56,911	\$81,162
Wolf Sara	\$21,393	\$29,741
Wourinen Jeffrey	\$24,142	\$30,271
Yun Kathleen	\$20,752	\$30,254
	<b>\$6,290,659</b>	<b>\$8,395,590</b>

## WCSU SUPERINTENDENT'S OFFICE REPORT

*Superintendent's Office Report*

January 15, 2016

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 in PreK through grade 12, and to ensure that we are preparing our students for their future. To meet these goals, we remain focused on: improving curriculum, instruction, assessment and professional development; providing high quality early education programs; special education services; providing transportation services; grant and construction management; 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.

### *Consolidation of Services at Supervisory Union*

Changes were made during the 2011 legislative session that require supervisory unions to provide increased services — to improve cost effectiveness and outcomes for students. At Washington Central we have already consolidated many services, but this adjustment to the law required that we move two functions of the schools budgets into the central office budget: Special Education and student transportation. Adding these two items will significantly increase the supervisory union budget from a yearly expenditure of approximately \$2.5 million to \$7 million. Adding these services to the SU budget will not increase the cost of the services to the schools or the tax rate, as they were already in the previous year's budget. If the full board had not agreed to move these services into the supervisory union budget, the tax payers of Washington Central potentially could have seen a 5% penalty on their school tax bills.

I am glad to report that this year we are already seeing savings in the consolidation of special education services at the central office through the coordination of the delivery of services.

### *Board Goals and Student Learning Outcomes*

During the 2014-2015 and the 2015-2016 school years the boards have been asking themselves: "What do our communities value that our students know and are able to do when they receive a U-32 diploma?" Five of our six boards have created a first version of Student Learning Outcomes (SLO) and a committee has been established to determine the common themes and develop one version for the entire supervisory union. This unified set of outcomes will focus our work on what it means to be an aligned PreK – 12 school system across Washington Central. Please stay tuned as a common set of SLO's is drafted and the full board seeks feedback from the community to help them determine if they set the correct outcomes for the students and the supervisory union.

### *Curriculum, Instruction, Assessment and Professional Development*

Jen Miller-Arsenault, Director of Curriculum, Instruction and Assessment, oversees curriculum, instruction and assessment, as well as 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. Over 137 teachers and administrators participated this past year in improving their skills to help ensure that all students have high quality instruction.

In addition to the summer professional development, we have been able to secure a grant to fund a WCSU math coach this year and at least into the following year. Ellen Dorsey, former U-32 middle and high school math teacher, is directly supporting our teacher leaders and administrators as we work to build capacity in our schools related to instructional leadership in mathematics. The math coach's work is anchored in the outcomes we have articulated for all students. Specifically, she is working to deepen teachers' understanding of students' levels of knowing mathematics and to articulate learning progressions that best meet students' needs.

WCSU has six supervisory union-wide curriculum committees: the Curriculum Council, the Literacy Steering Committee, the Math Steering Committee, the Science Steering Committee, the Social and Emotional Learning Steering Committee and the Social Studies Steering Committee. During the summer teachers came together to engage in curriculum, instruction and assessment work in literacy, math, science and social studies. The work that they did this summer is directly impacting students this school year.

WCSU has created a local comprehensive assessment system that includes different types of assessments. Teachers come together at least twice each year (during the October and February inservice days) to analyze the data at their respective grade levels. For example, fourth grade teachers from all five elementary schools came together in October to score students' reading assessments together. Such scoring opportunities and data analyses inform next instructional steps for individual students, classes, and implications for the school system as a whole.

#### *Special Services*

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

In an effort to find ways to "work smarter, not harder", her intent is to look at personnel across the supervisory union to determine more efficient ways to fulfill our commitment to students with our current staff.

There have been a few opportunities throughout the school year thus far in which we were able to shift resources to better meet the needs of the students. Some examples:

- In one elementary school there was an increase in speech and language services, while another had a reduction in need. Through a careful review we were able to determine that we could move the speech and language pathologist from one school to another; a win-win situation for both schools.
- In another one of our schools there was a resignation early in the fall of a Speech and Language Pathologist. Again, after careful review of workloads, we were able to fill this need with current staff in the supervisory union.
- We were also able to be creative with a position that is shared between U-32 and WCSU. Instead of filling the administrative level position Tim Flynn vacated with his retirement last spring, we split it between a half time Coordinator and half time Intensive Needs Case Manager.

With special education consolidated at the supervisory union level we were able to make these changes without having to spend time changing contracts, etc. This allows us to think differently and ask questions of how we are going about the work to best meet the needs of the students across the supervisory union.

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 (15<sup>th</sup>-16<sup>th</sup>) and last school year (14<sup>th</sup>-15<sup>th</sup>) most schools have implemented Phase 1 and 2 of PBIS. Level 1 is the universal level that focuses on every student school-wide and the second level provides interventions for students that need behavioral supports. 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 the previous two years 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*

For our preschool students, we have expanded our programs at each of the elementary schools and are proud to report that all of our preschool programs meet the highest Vermont STARS accreditation and provide 10 hours per week of preschool instruction. With the implementation of Universal Pre-Kindergarten, we are proud to announce that all five of our programs have been pre-qualified as Pre-Kindergartens in the state of Vermont. This means that if non-resident students choose to attend one of our programs, they may apply to be a student and be accepted if we have room in our programs. This year most of our programs are full with resident students.

#### *Teacher Supervision and Evaluation System*

A committee comprised of teachers and administrators met extensively for the past two years, 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. Also this past year we have increased the frequency of feedback to our teachers through the use of administrator walk-throughs and a technology document system that provides information to instructors in real time. This is requiring our principals to spend more time in the classroom working with the teachers in high quality instruction.

#### *Technology*

This was another great year for the WCSU Technology Department. The greatest impact on student learning has been the expansion of our one-to-one computer-to-student project from grades 5 through 8, to grades 4 through 10. 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 21<sup>st</sup> century.

As the use of smart phones and computers is becoming more prevalent, we are finding that we need to keep increasing our internet bandwidth. 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 to provide separate networks for the students and staff and a general network for the public. This allows us to handle more devices using the network at the same time. Having this type of access allows students to use information to build new knowledge and communicate it to others.

#### *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 \$36.3 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. With the advent of Act 46, the education spending per equalized pupil was able to increase from 0.77% to 1.84% across all the schools. In developing budgets for FY16, each school board looked closely at their per pupil costs, reduced some staffing and found other areas where they could cut costs, while still continuing to meet the needs of our students. Currently the tax projections are showing a level tax rate in Middlesex and lowering in the other four towns. 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, 2015, the Washington Central Supervisory Union operated on approved general fund and special education budgets totaling \$2,439,922. The supervisory union ended fiscal year 2015 with a \$286,279 reserved fund balance. This fund balance is reserved as follows: \$162,915 operations, \$0 special education, \$60,613 office equipment and technology, \$48,888 building capital fund and \$ 13,863 administrative fiscal agent fees.

For fiscal year 2016, the supervisory union budgets total \$6,746,593 and it is anticipated that the year will end in balance.

For fiscal year 2017, it is anticipated that the supervisory union budgets will total \$7,068,933 which consists of \$1,785,073 for operations, \$700,000 for state placed students, \$3,455,265 for shared Special Education services, and \$1,128,595 for shared student transportation.

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 2016-2017

Final  
FY 2017  
Budget

	FY 2015 Actual	FY 2016 Budget	FY 2016 Projected	Final FY 2017 Budget
<b>REVENUES:</b>				
Earnings on Investments	\$3,706	\$4,000	\$7,600	\$7,600
Administrative Assessment	\$404,377	\$416,643	\$416,643	\$409,021
Curriculum Assessment	\$156,511	\$140,067	\$140,067	\$147,307
Technology Service Assessment	\$349,042	\$358,553	\$358,553	\$349,972
Fiscal Service Assessments	\$299,657	\$311,123	\$311,123	\$323,063
Preschool Assessments	\$40,470	\$38,421	\$38,421	\$38,576
Special Services Assessments	\$470,166	\$464,795	\$464,795	\$493,674
Miscellaneous Income	\$2,514	\$700	\$700	\$860
Miscellaneous Income -Fund Transf	\$15,000	\$15,000	\$15,000	\$15,000
Miscellaneous Income-SPED	\$6,261	\$0	\$0	\$0
State Placed Reimbursements	\$756,897	\$700,000	\$700,000	\$700,000
Other State Reimb-504 students	\$0	\$0	\$0	\$0
Case Management Revenue	\$115,452	\$0	\$5,508	\$0
Summer Program-Shared Svcs	\$0	\$0	\$0	\$0
Evaluation Team-Shared Svcs	\$0	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$2,620,053</b>	<b>\$2,449,302</b>	<b>\$2,458,410</b>	<b>\$2,485,073</b>

**EXPENDITURES:**

**Instruction Develop. Svc**

Salaries	\$95,621	\$99,859	\$106,015	\$109,943
Health Insurance	\$11,759	\$19,448	\$14,796	\$15,914
Social Security/Medicare	\$6,929	\$7,392	\$7,925	\$8,209
Retirement Benefit	\$3,091	\$3,222	\$3,362	\$3,479
Section 125 Benefit	\$55	\$62	\$62	\$65
Workers' Compensation	\$563	\$669	\$669	\$569
Unemployment Insurance	\$100	\$382	\$30	\$42
Tuition Reimbursement	\$3,846	\$4,200	\$4,200	\$4,200
Dental Insurance	\$201	\$757	\$757	\$773
Disability Insurance	\$205	\$821	\$843	\$858
Professional Educ Svcs	\$0	\$0	\$0	\$0
Other Professional Services	\$20	\$200	\$200	\$200
Travel	\$1,876	\$2,160	\$2,160	\$2,160
Supplies	\$10,201	\$2,000	\$4,000	\$2,000
Books and Periodicals	\$5,200	\$3,620	\$1,620	\$3,620
Dues and Fees	\$638	\$1,000	\$1,000	\$1,000
Equipment	\$0	\$0	\$0	\$0
<b>Total Instruction Develop. Svc</b>	<b>\$140,305</b>	<b>\$145,792</b>	<b>\$147,639</b>	<b>\$153,032</b>

**Technology Services**

Salaries	\$215,665	\$270,021	\$230,475	\$242,336
Health Insurance	\$20,460	\$23,441	\$42,150	\$44,348
Social Security/Medicare	\$15,310	\$20,352	\$16,904	\$17,963
Retirement Benefits	\$15,004	\$17,875	\$13,895	\$16,482
Section 125 Benefit	\$242	\$273	\$273	\$286
Workers' Compensation	\$1,442	\$1,886	\$1,066	\$1,307
Unemployment Insurance	\$141	\$1,038	\$100	\$91
Tuition Reimbursement	\$8,395	\$5,000	\$2,000	\$5,000
Dental Insurance	\$706	\$2,271	\$2,046	\$2,318
Disability Insurance	\$286	\$1,151	\$945	\$1,018
Professional Services	\$24,342	\$688	\$14,500	\$4,266
Repairs & Maintenance	\$3,570	\$3,579	\$6,700	\$3,579
Telephone/WAN Line	\$168	\$4,500	\$3,015	\$4,500

Washington Central Supervisory Union  
Budget FY 2016-2017

	FY 2015 Actual	FY 2016 Budget	FY 2016 Projected	Final FY 2017 Budget
Travel	\$1,585	\$2,000	\$2,550	\$2,000
Supplies	\$4,353	\$3,700	\$8,117	\$3,700
Software	\$36,514	\$778	\$20,778	\$778
Dues & Fees	\$0	\$0	\$30	\$0
Shared SU Technology Staff	\$0	\$0	\$0	\$0
<b>Total Technology Services</b>	<b>\$348,183</b>	<b>\$358,553</b>	<b>\$365,544</b>	<b>\$349,972</b>

Board of Education Svcs

Treasurer Services	\$1,103	\$1,131	\$1,131	\$1,171
Board Secretary	\$813	\$1,131	\$1,131	\$1,170
Social Security/Medicare	\$147	\$173	\$173	\$179
Retirement Benefits	\$0	\$70	\$70	\$70
Professional Educational Svcs	\$425	\$100	\$100	\$100
Other Prof Services-Efficiency Stud	\$16,896	\$0	\$5,000	\$0
Supplies	\$752	\$745	\$745	\$745
<b>Total Board of Education Svcs</b>	<b>\$20,136</b>	<b>\$3,350</b>	<b>\$8,350</b>	<b>\$3,435</b>

Office of the Superintendent

Salaries	\$224,903	\$241,090	\$242,295	\$247,678
Health Insurance	\$34,443	\$36,068	\$35,754	\$38,579
Social Security/Medicare	\$17,089	\$17,975	\$18,071	\$18,447
Retirement	\$8,757	\$9,029	\$9,041	\$9,358
Section 125 Benefit	\$165	\$186	\$186	\$195
Workers' Compensation	\$1,066	\$1,696	\$876	\$1,351
Unemployment Insurance	\$87	\$985	\$31	\$135
Tuition Reimbursement	\$1,724	\$6,000	\$6,000	\$6,000
Dental Insurance	\$1,636	\$1,712	\$1,712	\$1,747
Disability Insurance	\$582	\$1,409	\$1,420	\$1,456
Professional Services & Strategic P	\$4,580	\$7,000	\$7,000	\$7,000
Professional Services-Mentor	\$0	\$0	\$0	\$0
Legal Services	\$3,222	\$3,500	\$3,500	\$3,500
Maintenance - Machines	\$0	\$0	\$0	\$0
Copier & Postage Lease	\$951	\$1,450	\$1,450	\$1,450
Insurance	\$1,450	\$2,165	\$1,013	\$1,665
Postage	\$3,195	\$3,000	\$5,042	\$3,000
Advertising	\$754	\$1,500	\$1,500	\$1,000
Printing	\$607	\$1,000	\$1,000	\$1,000
Travel	\$1,570	\$4,000	\$3,000	\$4,000
Supplies	\$6,256	\$6,400	\$7,400	\$6,400
Supplies-Employee Recognition Pro	\$1,830	\$1,500	\$1,500	\$1,500
Books and Periodicals	\$1,260	\$1,800	\$1,800	\$1,800
Equipment	\$1,378	\$0	\$0	\$0
Dues and Fees	\$6,645	\$5,900	\$5,900	\$5,900
<b>Total Office of the Superintendent</b>	<b>\$324,150</b>	<b>\$355,365</b>	<b>\$355,491</b>	<b>\$363,161</b>

Preschool & Early Ed Administration

Salaries	\$0	\$4,140	\$4,140	\$8,000
Health Insurance	\$0	\$0	\$0	\$0
Social Security/Medicare	\$0	\$411	\$411	\$706
Retirement Benefits	\$0	\$0	\$0	\$0
Section 125 Benefits	\$0	\$0	\$0	\$0
Worker's Compensation	\$0	\$0	\$0	\$0

Washington Central Supervisory Union  
Budget FY 2016-2017

	FY 2015 Actual	FY 2016 Budget	FY 2016 Projected	Final FY 2017 Budget
Unemployment Compensation	\$0	\$0	\$0	\$0
Tuition Reimbursement	\$0	\$0	\$0	\$0
Dental Insurance	\$0	\$0	\$0	\$0
Disability Insurance	\$0	\$0	\$0	\$0
Oth Professi Svcs & Northstar	\$0	\$2,500	\$0	\$0
Rental & Leases Storage & Office	\$1,000	\$1,000	\$1,000	\$1,000
Communications-Postage	\$500	\$500	\$500	\$500
Advertising	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0
Supplies	\$1,500	\$1,500	\$0	\$0
Utilities	\$1,000	\$1,000	\$1,000	\$1,000
Equipment	\$0	\$0	\$0	\$0
Dues & Fees	\$0	\$0	\$0	\$0
<b>Total Preschool &amp; Early Ed Prog</b>	<b>\$4,000</b>	<b>\$11,051</b>	<b>\$7,051</b>	<b>\$11,206</b>

**Fiscal Services**

Salaries	\$204,828	\$221,246	\$220,872	\$232,556
Health Insurance	\$34,155	\$40,185	\$35,813	\$39,992
Social Security/Medicare	\$14,913	\$16,404	\$16,585	\$17,272
Retirement Benefits	\$15,395	\$16,656	\$16,786	\$17,570
Section 125 Benefit	\$220	\$248	\$248	\$260
Workers' Compensation	\$1,205	\$1,549	\$730	\$1,256
Unemployment Insurance	\$100	\$885	\$30	\$93
Tuition Reimbursement	\$2,340	\$4,000	\$4,000	\$4,000
Dental Insurance	\$1,709	\$1,851	\$1,851	\$1,906
Disability Insurance	\$963	\$1,449	\$1,449	\$1,508
Professional Services & FS Fees	\$2,017	\$1,500	\$1,500	\$1,500
Travel	\$735	\$2,200	\$2,200	\$2,200
Supplies	\$2,334	\$2,200	\$2,200	\$2,200
Equipment	\$0	\$0	\$0	\$0
Dues and Fees	\$648	\$750	\$750	\$750
<b>Total Fiscal Services</b>	<b>\$281,562</b>	<b>\$311,123</b>	<b>\$305,014</b>	<b>\$323,063</b>

**Auditing Service**

Audit	\$9,800	\$9,700	\$9,800	\$9,800
<b>Total Auditing Services</b>	<b>\$9,800</b>	<b>\$9,700</b>	<b>\$9,800</b>	<b>\$9,800</b>

**Operation and Maint. of Bldg.**

Other Contract Services	\$1,370	\$250	\$250	\$250
Water & Sewer	\$580	\$1,050	\$1,050	\$1,050
Cleaning Services	\$5,500	\$5,500	\$5,500	\$5,500
Disposal Services	\$280	\$275	\$275	\$275
Repairs and Maintenance	\$2,219	\$4,000	\$4,000	\$3,000
Rental and Leases	\$1,296	\$1,440	\$1,440	\$1,440
Building Insurance	\$450	\$450	\$450	\$450
Supplies	\$682	\$500	\$500	\$500
Electricity	\$3,942	\$4,620	\$4,620	\$4,620
Propane	\$1,738	\$3,000	\$3,000	\$3,000
<b>Total Operation and Maint. of Bldg</b>	<b>\$18,057</b>	<b>\$21,085</b>	<b>\$21,085</b>	<b>\$20,085</b>

Washington Central Supervisory Union  
Budget FY 2016-2017

FY 2015  
Actual

FY 2016  
Budget

FY 2016  
Projected

Final  
FY 2017  
Budget

**Debt Service**

Interest	\$833	\$0	\$0	\$0
Principal	\$20,000	\$0	\$0	\$0
<b>Total Fund Transfers</b>	<b>\$20,833</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Fund Transfers**

Capital Fund	\$73,000	\$15,000	\$15,000	\$15,000
SPED Fund Transfer to Schools	\$0	\$0	\$0	\$0
Building Fund	\$15,000	\$20,000	\$20,000	\$20,000
<b>Total Fund Transfers</b>	<b>\$88,000</b>	<b>\$35,000</b>	<b>\$35,000</b>	<b>\$35,000</b>

**Special Education-Instructional & Support Services**

State Placed Student Costs	\$760,921	\$700,000	\$700,000	\$700,000
State Placed 504 Students	\$135	\$0	\$0	\$0
Behavior Specialist Salary & Benefit	\$0	\$0	\$0	\$0
Case Management Services	\$115,451	\$0	\$5,508	\$0
Summer Program-Shared Svcs	\$80,748	\$82,606	\$87,815	\$91,881
Evaluation Team-Shared Svcs	\$205,785	\$239,152	\$231,299	\$237,673
<b>Total SPED Instr &amp; Support Svcs</b>	<b>\$1,163,040</b>	<b>\$1,021,758</b>	<b>\$1,024,622</b>	<b>\$1,029,554</b>

**Special Area Admin. Services**

Salaries	\$116,353	\$121,719	\$121,719	\$125,978
Health Insurance	\$14,053	\$17,539	\$24,560	\$26,500
Social Security/Medicare	\$8,605	\$9,084	\$8,993	\$9,293
Retirement Benefits	\$2,655	\$2,197	\$2,197	\$2,274
Section 125 Benefit	\$110	\$124	\$124	\$130
Worker's Compensation	\$979	\$852	\$852	\$680
Unemployment Compensation	\$100	\$487	\$30	\$50
Tuition Reimbursement	\$6,376	\$3,000	\$2,478	\$3,000
Dental Insurance	\$916	\$865	\$865	\$883
Disability	\$336	\$1,039	\$1,039	\$1,058
Other Professional Svcs	\$10,820	\$0	\$0	\$0
Machine Maintenance	\$0	\$0	\$0	\$0
Insurance	\$1,449	\$2,744	\$1,854	\$2,744
Postage	\$3,404	\$2,800	\$2,800	\$2,800
Telephone	\$1,875	\$1,975	\$1,975	\$1,975
Advertising	\$259	\$1,100	\$1,100	\$500
Travel	\$1,571	\$2,000	\$2,000	\$2,000
Supplies	\$431	\$1,600	\$840	\$1,600
Supplies-Shared & Software& Equip	\$3,477	\$3,700	\$6,166	\$3,700
Dues and Fees	\$499	\$600	\$1,122	\$600
<b>Total Special Area Admin. Services</b>	<b>\$174,268</b>	<b>\$173,425</b>	<b>\$180,714</b>	<b>\$185,765</b>

**Special Education-Ineligible for Reimbursement**

Ineligible ISP Services	\$0	\$0	\$0	\$0
Legal Services	\$78	\$3,100	\$3,100	\$1,000
<b>Total Special Education-Inelig. Rei</b>	<b>\$78</b>	<b>\$3,100</b>	<b>\$3,100</b>	<b>\$1,000</b>

<b>TOTAL EXPENDITURES</b>	<b>\$2,592,412</b>	<b>\$2,449,302</b>	<b>\$2,463,410</b>	<b>\$2,485,073</b>
<b>Fund Balance Increase(Decrease)</b>	<b>\$27,641</b>	<b>\$0</b>	<b>-\$5,000</b>	<b>\$0</b>

# WCSU BUDGET SUMMARY

**Washington Central Supervisory Union  
Budget Summary**

Final

**A) OPERATIONS:**

**Anticipated Revenues:**

	FY 2015 Actual	FY 2016 Budget	FY 2016 Projected	FY 2017 Budget	Increase (Decrease)
Assessments	\$1,433,690	\$1,407,844	\$1,410,488	\$1,432,059	\$24,215
Earnings on Investments	\$3,706	\$4,000	\$7,600	\$7,600	\$3,600
Miscellaneous Income	\$2,514	\$700	\$700	\$860	\$160
<b>Subtotal</b>	<b>\$1,439,910</b>	<b>\$1,412,544</b>	<b>\$1,418,788</b>	<b>\$1,440,519</b>	<b>\$27,975</b>

**Fund Balance Usage**

	\$15,000	\$15,000	\$15,000	\$15,000	\$0
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<b>Total Operations Source of Funds</b>	<b>\$1,454,910</b>	<b>\$1,427,544</b>	<b>\$1,433,788</b>	<b>\$1,455,519</b>	<b>\$27,975</b>
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**Expenditures:**

Instruction Develop. Services	\$140,305	\$145,792	\$147,639	\$153,032	\$7,240
Technology Services	\$348,183	\$358,653	\$365,544	\$349,972	-\$8,581
Superintendent's Office & Admin. Costs	\$344,286	\$358,715	\$363,841	\$366,596	\$7,881
Preschool Administration	\$4,000	\$11,051	\$7,051	\$11,206	\$155
Fiscal Services & Audit	\$291,362	\$320,823	\$314,814	\$332,863	\$12,040
Operation & Maintenance of Bldg.	\$18,057	\$21,085	\$21,085	\$20,085	-\$1,000
Debt Service	\$20,833	\$0	\$0	\$0	\$0
Fund Transfers-Capital	\$88,000	\$35,000	\$35,000	\$35,000	\$0
Special Area Admin. Services	\$174,346	\$176,525	\$183,814	\$186,765	\$10,240
<b>Total Operations Use of Funds</b>	<b>\$1,429,372</b>	<b>\$1,427,544</b>	<b>\$1,438,788</b>	<b>\$1,455,519</b>	<b>\$27,975</b>

% INCREASE OPERATING BUDGET 1.96%

**B) REIMBURSABLE PROGRAMS-STATE PLACED STUDENTS:**

**Anticipated Revenues:**

State Placed Reimbursements	\$756,897	\$700,000	\$700,000	\$700,000	\$0
Miscellaneous Income-SPED	\$121,713	\$0	\$5,508	\$0	\$0
<b>Total Special Ed Program Source of Funds</b>	<b>\$878,610</b>	<b>\$700,000</b>	<b>\$705,508</b>	<b>\$700,000</b>	<b>\$0</b>

**Expenditures:**

Instructional Svcs-State Placed Students & Case Mgmt	\$876,507	\$700,000	\$705,508	\$700,000	\$0
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<b>Total Special Ed Program Use of Funds</b>	<b>\$876,507</b>	<b>\$700,000</b>	<b>\$705,508</b>	<b>\$700,000</b>	<b>\$0</b>
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% INCREASE 100% REIMBURSABLE FROM STATE 0.00%

**C) SHARED SERVICES-SPECIAL EDUCATION:**

**Anticipated Revenues:**

Assessments	\$286,533	\$321,758	\$319,114	\$329,554	\$7,796
<b>Total Shared Svcs- Source of Funds</b>	<b>\$286,533</b>	<b>\$321,758</b>	<b>\$319,114</b>	<b>\$329,554</b>	<b>\$7,796</b>

**Expenditures:**

Shared Service Programs-SPED Summer & Eval Team	\$286,533	\$321,758	\$319,114	\$329,554	\$7,796
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<b>Total Shared Svcs- Use of Funds</b>	<b>\$286,533</b>	<b>\$321,758</b>	<b>\$319,114</b>	<b>\$329,554</b>	<b>\$7,796</b>
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% INCREASE \$PED SVC BUDGET 2.42%

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

<b>Total Source of Funds (A+B+C)</b>	<b>\$2,620,053</b>	<b>\$2,449,302</b>	<b>\$2,458,410</b>	<b>\$2,485,073</b>	<b>\$35,771</b>
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<b>Total Use of Funds(A+B+C)</b>	<b>\$2,592,412</b>	<b>\$2,449,302</b>	<b>\$2,463,410</b>	<b>\$2,485,073</b>	<b>\$35,771</b>
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% INCREASE ENTIRE BUDGET 1.46%

<b>D) SHARED SERVICES-SPECIAL EDUCATION/STUDENT TRANSPORTATION- Act 168:</b>					
<b>Anticipated Revenues:</b>					
Shared Service Revenues-Special Education	\$0	\$3,094,895	\$3,413,412	\$3,455,265	\$360,370
Shared Service Revenues-Student Transportation	\$0	\$1,202,396	\$1,099,841	\$1,128,595	-\$73,801
<b>Total Shared Svcs- Source of Funds</b>	<b>\$0</b>	<b>\$4,297,291</b>	<b>\$4,513,253</b>	<b>\$4,583,860</b>	<b>\$286,569</b>
<b>Expenditures:</b>					
Shared Service Programs-All SPED Costs/No Para's	\$0	\$3,094,895	\$3,413,412	\$3,455,265	\$360,370
Shared Service Programs-Student Transportation	\$0	\$1,202,396	\$1,099,841	\$1,128,595	-\$73,801
<b>Total Shared Svcs- Use of Funds</b>	<b>\$0</b>	<b>\$4,297,291</b>	<b>\$4,513,253</b>	<b>\$4,583,860</b>	<b>\$286,569</b>
<b>COMBINED TOTAL WCSU BUDGET(A+B+C+D):</b>					
<b>Total Source of Funds (A+B+C+D)</b>	<b>\$2,620,053</b>	<b>\$6,746,593</b>	<b>\$6,971,663</b>	<b>\$7,068,933</b>	<b>\$322,340</b>
<b>Total Use of Funds(A+B+C+D)</b>	<b>\$2,592,412</b>	<b>\$6,746,593</b>	<b>\$6,976,663</b>	<b>\$7,068,933</b>	<b>\$322,340</b>

**Special Education Budget FY1617 Summary by School:**

	Local Budgets Paraeducators	WCSU Budget	Total Expenses	Revenues	Net Cost To Taxpayers
Berlin	\$250,968	\$508,892	\$759,860	\$467,600	\$292,260
Calais	\$156,607	\$128,301	\$284,908	\$182,864	\$102,044
E. Montpelier	\$127,738	\$482,015	\$609,753	\$398,359	\$211,394
Middlesex	\$210,982	\$341,242	\$552,224	\$349,365	\$202,859
Worcester	\$88,968	\$168,945	\$257,913	\$154,314	\$103,599
U32	\$471,587	\$1,826,870	\$2,297,457	\$1,542,038	\$755,419
<b>Total</b>	<b>\$1,306,850</b>	<b>\$3,455,265</b>	<b>\$4,762,115</b>	<b>\$3,094,540</b>	<b>\$1,667,575</b>

**Student Transportation Budget FY1617 Summary by School:**

	WCSU Budget
Berlin	\$120,265
Calais	\$90,199
E. Montpelier	\$121,265
Middlesex	\$90,199
Worcester	\$34,912
U32	\$671,755
<b>Total</b>	<b>\$1,128,595</b>

## 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 13.0% for FY2016-2017. The total assessment for Berlin Elementary is \$234,038 which is an increase of \$11,104 over 2015-2016. The increase of \$11,104 represents a .33% increase 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 \$53,361**

**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 \$19,218**

**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 \$45,657**

**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 \$42,147**

**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 \$64,404**

**Preschool Administration-** Planning, coordination and implementation of the preschool program, systems, practices and support for all schools; preparation for accreditation. **Berlin share is \$9,252**

**Shared Special Education** – All Special Education costs are included in the WCSU Budget (except paraeducators.) **Berlin share is \$128,301**

**Shared Student Transportation** –All student transportation costs to/from school are included in the WCSU budget. **Berlin share is \$120,265**

## WCSU SALARY & BENEFIT PROJECTION

Washington Central Supervisory Union  
 Salary & Benefit Projection  
 As of December 17, 2015

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
Banks Mark	\$14,000	\$15,225
Bennett Kristin	\$30,000	\$42,224
Bibeau Lori	\$109,146	\$141,955
Bickford Judy	\$67,463	\$88,149
Blondin Patricia	\$54,163	\$77,963
Breer Virginia	\$57,077	\$86,472
Brett Michelle	\$46,489	\$54,606
Bushy Kelly	\$94,256	\$117,096
Carter Anne	\$47,224	\$64,806
Carr Ann	\$46,521	\$62,185
Caswell Jane	\$33,732	\$39,558
Chevalier Candy	\$75,000	\$103,280
Chouinard Bonnie	\$40,728	\$65,774
Dawkins Margaret	\$65,632	\$91,067
Dentith Susan	\$67,463	\$81,328
Dorsey Ellen	\$43,214	\$56,693
Doyle Shawn	\$44,475	\$56,404
Fair Renee	\$45,769	\$72,773
Hill Todd	\$5,150	\$5,601
Holden Kerra	\$34,640	\$53,014
Kalat Brigitte	\$64,119	\$75,058
Kimball William	\$115,523	\$131,715
Kittredge Matthew	\$45,167	\$59,696
Ksepka Michelle	\$53,745	\$82,201
Lamberti Sheryl	\$38,085	\$63,086
Lavine Judd	\$89,219	\$94,795
Mankoff Joanne	\$67,463	\$94,516
Marineau Craig	\$55,385	\$70,146
Mayette Sue Anne	\$67,463	\$88,149
Meachum Michelle	\$23,154	\$34,356
Metivier Krista	\$45,393	\$71,426
McCord Denise	\$67,463	\$80,788
McGlynn Margrith	\$65,562	\$90,754
McLane Megan	\$51,698	\$64,712
Miller-Arsenault Jennifer	\$99,533	\$119,758
Moody Alicia	\$53,960	\$74,769
Nathanson Theodore	\$48,387	\$60,237
Newberry Holly	\$67,463	\$94,908
Nicholas-Fleming James	\$67,463	\$93,121
O'Brien Michael	\$53,820	\$67,169
Otto Roselinde	\$52,664	\$66,767
Paris Maria	\$65,562	\$79,232
Perry Brittany	\$68,002	\$90,403
Peterson Sheila	\$63,714	\$74,756
Powers Bess	\$53,960	\$83,779
Pryce Susan	\$53,960	\$66,792
Rhodes Sonya	\$32,781	\$49,237
Saxe Kenneth	\$67,463	\$78,834
Smart Julie	\$57,678	\$80,160
Smart Stephanie	\$51,015	\$73,253
Stephens Shaun	\$23,466	\$27,737
Taffel Patricia	\$67,463	\$78,858
Vanderlip Elizabeth	\$65,562	\$91,013
Woodward Viola	\$67,463	\$81,579
	<b>\$3,032,960</b>	<b>\$3,999,933</b>

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, 2015

Berlin School District  
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Berlin School District  
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For The Year Ended June 30, 2015

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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, 2015, 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, 2015, 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, 42-48, and 29-30 and 33-37 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 December 2, 2015, 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

December 2, 2015

**BERLIN SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2015**

**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, 2015 (FY 15). 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 \$102,064 from \$505,478 to \$607,542.
- Government-wide assets totaled \$1,156,828 and government-wide liabilities totaled \$549,286.
- 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 \$3,282,812 while the budgeted revenues were \$3,264,970, a favorable variance of \$17,842.
- The District's Elementary School general fund actual expenditures were \$3,194,376, while the budgeted expenditures were \$3,264,970, a favorable variance of \$70,594.
- 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 \$5,340 from operations. The investment in net fixed assets was \$11,114, for a combined total of \$16,454.
- Agency Funds totaling \$8,481 are held in the District's accounts for various student activities and projects.
- 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 15-41.

**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.

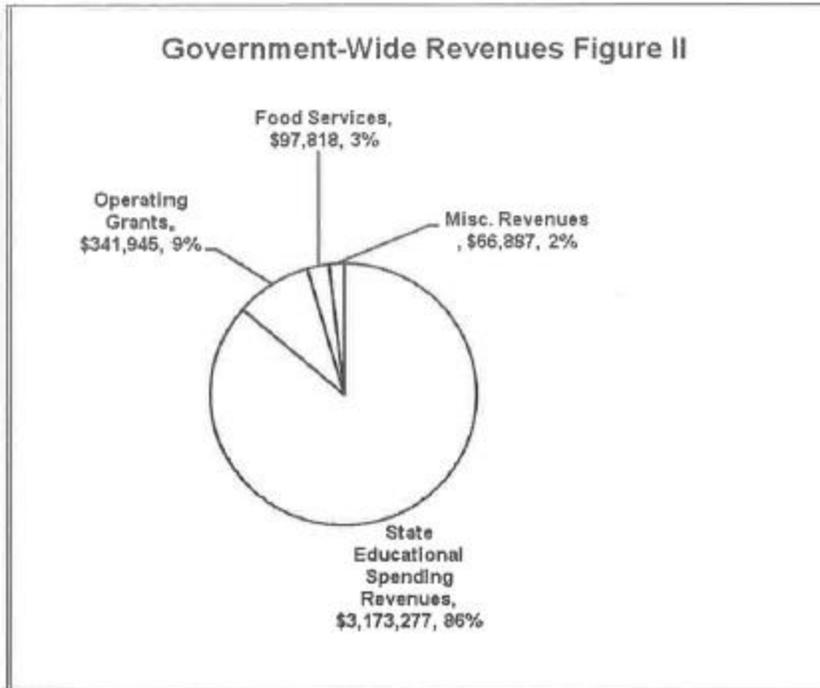
### **Government-Wide Financial Analysis**

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.

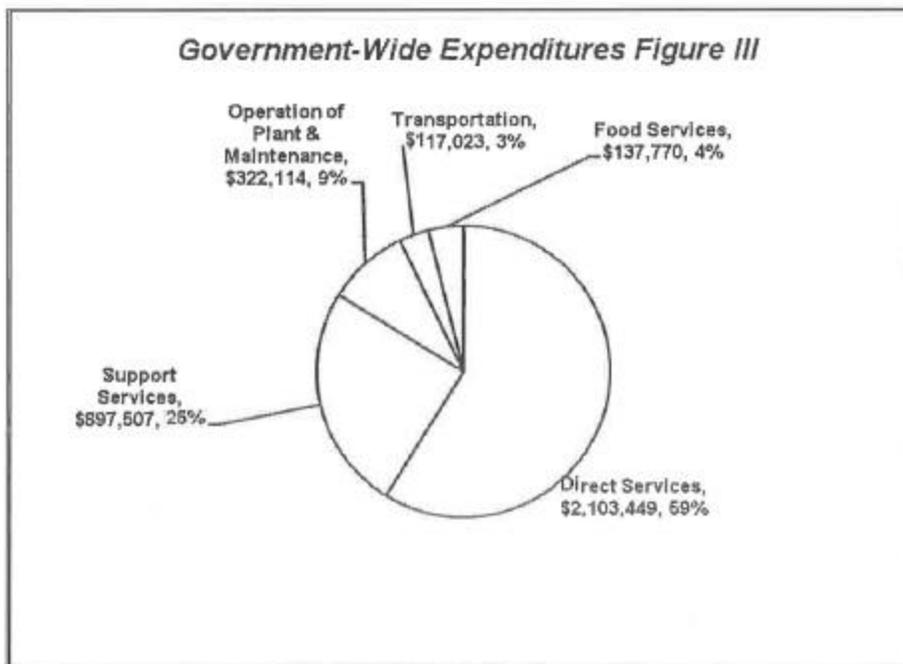
Amounts reported for governmental activities in this statement of net assets differ from the summary of financial operations because: capital (non-current) assets used in governmental activities are not financial resources and therefore, are deferred in the funds; non-current liabilities, consisting 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, 2015

	Governmental & Business Activities		Difference
	<u>As of June 30,</u> <u>2014</u>	<u>As of June 30, 2015</u>	<u>Increase(Decrease)</u>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash & Investments	\$254,863	\$367,170	\$112,307
Accounts Receivable:			
Due From Other Funds	\$4,144	(\$8,481)	(\$12,625)
Intergovernmental & Other	\$10,991	\$13,025	\$2,034
State	\$0	\$14,610	\$14,610
Inventories	\$445	\$926	\$481
<b>Total Current Assets</b>	<b>\$270,443</b>	<b>\$387,250</b>	<b>\$116,807</b>
<b>Non-Current Assets:</b>			
<b>Capital Assets:</b>			
Land & Other Assets not being depreciated	\$0	\$0	\$0
Building & Equipment, net of Acc. Depreciation	\$800,099	\$769,578	(\$30,521)
<b>Total Non-Current Assets</b>	<b>\$800,099</b>	<b>\$769,578</b>	<b>(\$30,521)</b>
<b>TOTAL ASSETS</b>	<b>\$1,070,542</b>	<b>\$1,156,828</b>	<b>\$86,286</b>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	\$34,288	\$28,014	(\$6,274)
Accrued Expenses	\$13,524	\$5,502	(\$8,022)
Accrued Interest Payable	\$0	\$0	\$0
Due To Other Funds	\$12,914	\$0	(\$12,914)
Deferred Revenue	\$4,338	\$10,273	\$5,935
Current Portion of Long-Term Debt	\$0	\$5,497	\$5,497
<b>Total Current Liabilities</b>	<b>\$65,064</b>	<b>\$49,286</b>	<b>(\$15,778)</b>
<b>Non-Current Liabilities:</b>			
<b>Non-Current Portion of Long-Term Debt:</b>			
Bonds Payable	\$500,000	\$500,000	\$0
<b>Total Non-Current Liabilities</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$0</b>
<b>TOTAL LIABILITIES</b>	<b>\$565,064</b>	<b>\$549,286</b>	<b>(\$15,778)</b>
<b>NET ASSETS</b>			
Investment in Capital Asset, net of Related Debt	\$300,099	\$264,081	(\$36,018)
Restricted	\$227,302	\$196,731	(\$30,571)
Unrestricted	(\$21,923)	\$146,730	\$168,653
<b>TOTAL NET ASSETS</b>	<b>\$505,478</b>	<b>\$607,542</b>	<b>\$102,064</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$1,070,542</b>	<b>\$1,156,828</b>	<b>\$86,286</b>
	6D		



The total of Government-wide Revenues is \$3,679,927.

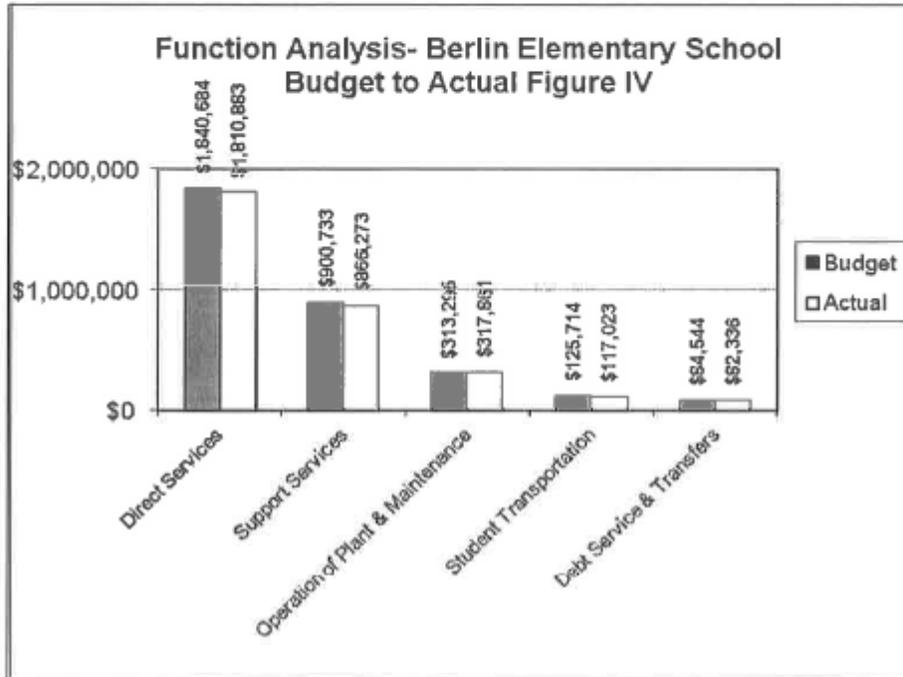


The total of Government-wide Expenses is \$3,577,863.

The net increase in Government-wide Net Assets totaled \$102,064. Business-type activities (food program) realized an increase in net assets of \$12,830 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 \$3,282,812 and actual expenditures were \$3,194,376. However, revenues were \$17,842 above budgeted amounts which were largely attributable to interest & miscellaneous revenues. Expenses were \$70,594 less than budgeted amounts which was largely attributable to savings in instructional programs.



- **Capital Project Fund:**  
 The Capital Project Fund had a reserved balance of \$10,925 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 increase of \$13,739 during the past year. A transfer from the operating budget of \$52,782 was used to reduce the cumulative deficit. The program had a retained earnings balance of \$16,454 at the end of the fiscal year.
- **Fiduciary Fund Types:**  
 Agency funds of \$8,481 were being held at the end of the year for student activities and projects. The prior year balance was \$8,769 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, 2015			
	Cost	Accumulated Depreciation	Net Value
<b>Governmental Activities:</b>			
Land & Site work & Construction in Progress	\$25,190	\$2,520	\$22,670
Building and Improvement	\$1,270,412	\$646,200	\$624,212
Furniture and Equipment	\$236,519	\$124,937	\$111,582
Vehicles	\$0	\$0	\$0
<b>Total</b>	<b>\$1,532,121</b>	<b>\$773,657</b>	<b>\$758,464</b>
<b>Business Type activities:</b>			
Building and Improvements	\$24,588	\$24,588	\$0
Furniture and Equipment	\$32,441	\$21,327	\$11,114
<b>Total</b>	<b>\$57,029</b>	<b>\$45,915</b>	<b>\$11,114</b>
<b>Grand Total</b>	<b>\$1,589,150</b>	<b>\$819,572</b>	<b>\$769,578</b>

**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. The extension was exercised in FY15.
- 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, 2015

EXHIBIT I

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 231,203		\$ 231,203
Investments	135,967		135,967
Due From Other Funds	(9,482)	\$ 1,001	(8,481)
Accounts Receivable - State	14,610		14,610
Accounts Receivable - Other LEAs		3,469	3,469
Accounts Receivable - Other	7,339	2,217	9,556
Inventory		926	926
Capital Assets, net of depreciation	<u>758,464</u>	<u>11,114</u>	<u>769,578</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 1,138,101</u></b>	<b><u>\$ 18,727</u></b>	<b><u>\$ 1,156,828</u></b>
<b>LIABILITIES</b>			
Accounts Payable - State	\$ 24,532		\$ 24,532
Accounts Payable - Other	3,482		3,482
Accrued Expenses	5,502		5,502
Long-Term Liabilities:			
Due Within 1 Year	5,497		5,497
Due in More Than 1 Year	500,000	-	500,000
<b>TOTAL LIABILITIES</b>	<u>539,013</u>	<u>\$ -</u>	<u>539,013</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unearned Revenues	<u>8,000</u>	<u>2,273</u>	<u>10,273</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>8,000</u>	<u>2,273</u>	<u>10,273</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	252,967	11,114	264,081
Restricted For:			
Capital Projects	10,925		10,925
Debt Services	135,967		135,967
Other Purposes	196,731		196,731
Unrestricted (Deficit)	<u>(5,502)</u>	<u>5,340</u>	<u>(162)</u>
<b>TOTAL NET POSITION</b>	<u>591,088</u>	<u>16,454</u>	<u>607,542</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	<b><u>\$ 1,138,101</u></b>	<b><u>\$ 18,727</u></b>	<b><u>\$ 1,156,828</u></b>

The accompanying notes are an integral part of these financial statements

EXHIBIT II

Berlin School District  
District-Wide Statement of Activities  
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Business-Type Activities	Total
<b>Governmental Activities:</b>						
Direct Services	\$ 2,103,449		\$ 266,180		\$ (1,837,269)	\$ (1,837,269)
Support Services:						
Student Services	258,128		10,812		(247,316)	(247,316)
Instructional Staff Services	194,146				(194,146)	(194,146)
General Administrative Services	62,848				(62,848)	(62,848)
Area Administrative Services	286,279				(286,279)	(286,279)
Fiscal Services	76,631				(76,631)	(76,631)
Building Operations and Maintenance	322,114				(322,114)	(322,114)
Transportation	117,023		46,595		(70,428)	(70,428)
Other Support Services	19,475		18,358		(1,117)	(1,117)
Total Governmental Activities	<u>3,440,093</u>	<u>\$ -</u>	<u>341,945</u>	<u>\$ -</u>	<u>(3,098,148)</u>	<u>(3,098,148)</u>
<b>Business-Type Activities:</b>						
Food Service	137,770	97,818	-	-	\$ (39,952)	(39,952)
Total Business-Type Activities	<u>137,770</u>	<u>97,818</u>	<u>-</u>	<u>-</u>	<u>(39,952)</u>	<u>(39,952)</u>
<b>General Revenues:</b>						
State Revenues not Restricted to Specific Programs					3,173,277	3,173,277
Federal Revenues not Restricted to Specific Programs					1,446	1,446
Private Revenues not Restricted to Specific Programs					12,110	12,110
Investment Earnings					37,668	37,668
Rentals					4,215	4,215
Miscellaneous					11,448	11,448
Transfers					(52,782)	-
Total General Revenues					<u>3,187,382</u>	<u>3,240,164</u>
Change in Net Position					89,234	102,064
Net Position - Beginning of Year					501,854	505,478
Net Position - Ending of Year					<u>\$ 591,088</u>	<u>\$ 607,542</u>

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, 2015

	Governmental Fund Types				Proprietary	Fiduciary	Totals (Memorandum Only)
	General Fund	Special Revenue Fund	Capital Project Fund	Bond Sinking Fund	Enterprise Fund	Agency Fund	
<b>ASSETS:</b>							
Current Assets:							
Cash	\$ 231,203						\$ 231,203
Investments				\$ 135,967			135,967
Due From Other Funds		\$ 8,000	\$ 9,301		\$ 1,001	\$ 8,481	26,783
Accounts Receivable - State	12,988		1,624				14,610
Accounts Receivable - Supervisory Union					3,469		3,469
Accounts Receivable - Other	7,339				2,217		9,556
Inventory					926		926
Total Current Assets	251,528	8,000	10,925	135,967	7,613	8,481	422,514
Other Assets:							
Fixed Assets - net					11,114		11,114
Total Other Assets					11,114		11,114
<b>TOTAL ASSETS</b>	<b>\$ 251,528</b>	<b>\$ 8,000</b>	<b>\$ 10,925</b>	<b>\$ 135,967</b>	<b>\$ 18,727</b>	<b>\$ 8,481</b>	<b>\$ 433,628</b>
<b>LIABILITIES &amp; FUND EQUITY:</b>							
Liabilities:							
Due To Other Funds	\$ 26,783						\$ 26,783
Accounts Payable - State	24,532						24,532
Accounts Payable - Other	3,482						3,482
Deferred Revenue		\$ 8,000			\$ 2,273		10,273
Amount Held for Agency Funds							8,481
Total Liabilities	54,797	8,000			2,273		73,551
Fund Equity:							
Fund Balances:							
Committed	196,731		10,925	135,967			343,623
Net Position					16,454		16,454
Total Fund Equity	196,731		10,925	135,967	16,454		360,077
<b>TOTAL LIABILITIES &amp; FUND EQUITY</b>	<b>\$ 251,528</b>	<b>\$ 8,000</b>	<b>\$ 10,925</b>	<b>\$ 135,967</b>	<b>\$ 18,727</b>	<b>\$ 8,481</b>	<b>\$ 433,628</b>

The accompanying notes are an integral part of these financial statements

Berlin School District  
 Reconciliation of the Balance Sheet to the Statement of Net Position  
 Governmental Funds  
 June 30, 2015

Fund Balances – total governmental funds	\$ 343,623
Amounts reported for governmental activities in the Statement of Net Positions 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	1,532,121
Less accumulated depreciation	(773,657)
Bonds payable and contractual obligations have not been included in the governmental fund financial statements.	
Bonds Payable	(500,000)
Notes Payable	(5,497)
Accrued liabilities have not been reflected in the governmental fund financial statements:	
Vested Vacation Payable	<u>(5,502)</u>
Net Position of Governmental Activities	<u>\$ 591,088</u>

The accompanying notes are an integral part of these financial statements

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, 2015

EXHIBIT IV

	General Fund	Special Revenue Fund	Capital Project Fund	Bond Sinking Fund	Totals (Memorandum Only)
<b>REVENUES:</b>					
Earnings on Investments	\$ 34,666		\$ 375	\$ 2,118	\$ 37,159
Gains (Losses) on Investments				509	509
Rental Income	4,215				4,215
Miscellaneous	11,949				11,949
Private/Local	12,110	\$ 13,250			25,360
State	3,219,872	4,874			3,224,746
Federal	-	108,059	-	-	108,059
	<u>3,282,812</u>	<u>126,183</u>	<u>375</u>	<u>2,627</u>	<u>3,411,997</u>
<b>TOTAL REVENUES</b>					
<b>EXPENDITURES:</b>					
Direct Services	1,810,883	95,567			1,906,450
Support Services:					
Students	246,654	10,812			257,466
Instructional Staff	187,102				187,102
General Administration	62,848				62,848
Area Administration	293,038				293,038
Fiscal Services	76,631				76,631
Operation and Maintenance of Building	317,861				317,861
Transportation	117,023				117,023
Food Services		18,358			18,358
Construction Services			5,497		5,497
Debt Services	5,000				5,000
Other Outlays	-	-	-	1,117	1,117
	<u>3,117,040</u>	<u>124,737</u>	<u>5,497</u>	<u>1,117</u>	<u>3,248,391</u>
<b>TOTAL EXPENDITURES</b>					
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	165,772	1,446	(5,122)	1,510	163,606
<b>OTHER FINANCING SOURCES (USES):</b>					
Loan Proceeds			5,497		5,497
Transfers In				26,000	26,000
Transfers Out	(77,336)	(1,446)	-	-	(78,782)
	<u>88,436</u>	<u>-</u>	<u>375</u>	<u>27,510</u>	<u>116,321</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>					
FUND BALANCE, JULY 1, 2014	108,295	-	10,550	108,457	227,302
	<u>108,295</u>	<u>-</u>	<u>10,550</u>	<u>108,457</u>	<u>227,302</u>
FUND BALANCE JUNE 30, 2015	\$ 196,731	\$ -	\$ 10,925	\$ 135,967	\$ 343,623
	<u>\$ 196,731</u>	<u>\$ -</u>	<u>\$ 10,925</u>	<u>\$ 135,967</u>	<u>\$ 343,623</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, 2015

Net Changes in fund Balances – total governmental funds	\$116,321
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	11,305
Less current year depreciation	(40,416)
<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 Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p>	
Note proceeds	(5,497)
<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	8,022
<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>	
	(501)
Change in Net Position of Governmental Funds	\$ 89,234

The accompanying notes are an integral part of these financial statements

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, 2015

EXHIBIT V

Operating Revenue:		
Sales	\$ 30,253	
Miscellaneous	<u>4,109</u>	
Total Operating Revenue		\$ 34,362
Operating Expenses:		
Salaries and Benefits	73,474	
Property Services	6,475	
Supplies and Food	50,753	
Commodities	5,938	
Utilities	221	
Depreciation	<u>909</u>	
Total Operating Expenses		<u>137,770</u>
Operating Income (Loss)		(103,408)
Non-Operating Revenue (Loss)		
State Sources:		
Restricted Grants		
Lunch Match	907	
Child Nutrition Breakfast	314	
Child Nutrition Other	449	
Reduced Lunch Initiative	1,174	
Federal Sources:		
Restricted Grants		
School Breakfast Program	14,991	
School Lunch Program	39,683	
Commodities	<u>5,938</u>	
Total Non-Operating Revenue		<u>63,456</u>
Increase (Decrease) Before Transfers		(39,952)
Operating Transfers In (Out)		<u>52,782</u>
Increase (Decrease) in Net Position		12,830
Net Position, July 1, 2014		<u>3,624</u>
Net Position, June 30, 2015		<u>\$ 16,454</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, 2015

EXHIBIT VI

Cash Flows From Operating Activities:		
Received From Customers	\$ 34,328	
Payments To Employees and Fringe Benefits	(73,474)	
Payments To Vendors and Supplies	<u>(63,868)</u>	
Net Cash Used By Operating Activities		\$ (103,014)
Cash Flows From Noncapital Financing Activities:		
Private Aid Received		
State Aid Received	64,147	
Support of General Fund	<u>38,867</u>	
Net Cash Used By Noncapital Financing Activities		103,014
Cash Flows From Capital and Related Financing Activities:		
Purchase of Fixed Assets		
Disposal of Fixed Assets		
Net Cash Used By Capital and Related Financing Activities		-
Cash Flows From Investing Activities:		
None		<u>-</u>
Net Increase (Decrease) in Cash		-
Cash, July 1, 2014		<u>-</u>
Cash, June 30, 2015		<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Used By Operating Activities:		
Cash Provided From Operating Activities:		
Operating Income (Loss)		\$ (103,408)
Adjustments to Reconcile Net Income to Cash Provided (Used) By Operating Activities:		
Depreciation	\$ 909	
(Increase) Decrease in Accts Receivable - Other	(643)	
(Increase) Decrease in Inventory	(481)	
Increase (Decrease) in Deferred Revenue	<u>609</u>	
Total Adjustments		<u>394</u>
Net Cash Provided (Used) By Operating Activities		<u>\$ (103,014)</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, 2015

**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. The School District is a component of the Town of Berlin.

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.

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 consolidated

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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, 2015

**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.
- Debt Service 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.
- Permanent Fund – The permanent fund is used to report resources that are legally held in trust. All resources of the fund, including any earnings or invested resources, may be used to support the organization.

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.
- Private Purpose Trust Funds account for assets where both principal and interest may be expended. These are accounted for in essentially the same manner as Governmental Fund Types, using the same measurement focus and basis of accounting.

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

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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 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

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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.

**Inventory:**

Inventories consist of expendable items held for consumption. They are valued at cost on a first-in, first-out method.

**Deferred Inflows of Resources:**

The School District recognizes differences between the receipt of funds and the recognition of revenues through the use of unearned revenue accounts. These unearned revenue accounts 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 (categories of assets are depreciated over the following lives; land improvements 10-40 years, buildings 25-50 years, building improvements 10-50 years, infrastructure 10-50 years, furniture & equipment 3-20 years, and vehicles 3-15 years). 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 Position. The face amount of obligations issued is reported as other financing sources.

**Pensions:**

*VSTR*. For purposes of measuring the liability, deferred outflows of resources and deferred

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

inflows of resources, and expense associated with the State's requirement to contribute to the Vermont Teachers Retirement System (VTRS), information about VTRS's fiduciary net position and additions to/deductions from VSTR's fiduciary net position have been determined on the same basis as they are reported by VSTR. For this purpose, benefit payments (including refunds of contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value

**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 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 fund 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.

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Net Resources and Fund Balance:

District-wide Financial Statements:

When the School District incurs an expense for which it may use either restricted or unrestricted net position, it generally uses restricted net position first. Net position on the Statement of net position includes 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 position that reports 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 positions 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.

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.

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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.

**NOTE 2 – CASH, CASH EQUIVALENTS, AND REPURCHASE AGREEMENTS**

Cash and cash equivalent deposits with financial institutions at June 30th amounted to \$231,203. 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.

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

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)

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)	\$ 13,053	\$1,072,650
- Category 1	217,750	338,110
- Category 2	0	0

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

	Carrying Amount	Bank Balance
- Category 3	\$ 0	\$ 0
- Category 4	<u>400</u>	<u>0</u>
Total deposits	<u>\$231,203</u>	<u>\$1,410,761</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 \$338,110 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 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

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 3 – INVESTMENTS (CONTINUED)**

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
Insured (SIPC) and registered held by dealer/broker in School District's name (Book Entry)		
Money Market	486	486
U. S. Govt. Bonds	60,195	62,687
Bond Mutual Funds	72,839	72,794
Uninsured, registered held by dealer/broker in School District's name (Book Entry)	0	0
Insured (SIPC) unregistered held by dealer/broker	0	0
Uninsured, unregistered held by dealer/broker	0	0
<b>TOTAL</b>	<b><u>\$133,520</u></b>	<b><u>\$135,967</u></b>

**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, 2015, is as follows:

Fund Financial Statements:	Payable Fund	Amount
Receivable Fund		
Private Purpose Trust:		
Student Activities	General Fund	<u>\$8,481</u>
Capital Project Fund:		
Capital Projects	General Fund	<u>\$9,301</u>

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 4 - INTERFUND RECEIVABLES (CONTINUED)**

Fund Financial Statements:			
Receivable Fund	Payable Fund		Amount
Enterprise Fund:			
Food Program	General Fund		<u>\$1,001</u>
Special Revenue Fund:			
Garden Project	General Fund		\$2,000
Fitness Grant	General Fund		1,000
YMCA & Gifford Grant	General Fund		<u>5,000</u>
Total			<u>\$8,000</u>
District-wide Financial Statements:			
Receivable Fund	Payable Fund		Amount
Business Type	Governmental Type		\$1,001
Private Purpose Trust	Governmental Type		<u>8,484</u>
Total			<u>\$9,485</u>

**NOTE 5 – CAPITAL ASSETS**

Capital activity for the School District for the year ended June 30, 2015, 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>236,222</u>	<u>11,305</u>	<u>11,008</u>	<u>236,519</u>
Total other capital assets at historical costs	<u>1,531,824</u>	<u>11,305</u>	<u>11,008</u>	<u>1,532,121</u>
Less accumulated depreciation:				
Buildings	407,744	0	0	407,744
Building Improvements	219,344	19,112	0	238,456
Infrastructure	2,016	504	0	2,520

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 5 – CAPITAL ASSETS (CONTINUED)**

	<u>Primary Government</u>			<u>Ending Balance</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	
Furniture and Equipment	<u>\$ 114,644</u>	<u>\$ 20,800</u>	<u>\$ 10,507</u>	<u>\$ 124,937</u>
Total accum. Depr.	<u>743,748</u>	<u>40,416</u>	<u>10,507</u>	<u>773,657</u>
Governmental activities				
Capital Assets, Net	<u>\$ 788,076</u>	<u>\$(29,111)</u>	<u>\$ 501</u>	<u>\$ 758,464</u>
Business-type activities:				
Building	\$ 24,588	\$ 0	\$ 0	\$ 24,588
Furniture and Equipment	33,113	0	672	32,441
Less accum. Depr.	<u>45,678</u>	<u>909</u>	<u>672</u>	<u>45,915</u>
Business-type activities				
Capital Assets, Net	<u>\$ 12,023</u>	<u>\$ (909)</u>	<u>\$ 0</u>	<u>\$ 11,114</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
Direct Services	\$27,194
Support Services:	
Students	662
Instructional Staff	7,044
General Administration	0
Area Administration	1,263
Fiscal Services	0
Operation and Maintenance of Plant	4,253
Transportation	0
Other Support Services	<u>0</u>
Total governmental activities depreciation expense	<u>\$40,416</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 School District at June 30, 2015. 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

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 6 - ACCRUED VACATION & LEAVE TIME (CONTINUED)**

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 \$5,502. 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, 2014	Borrowings	Retirements	Balance June 30, 2015
Revenue Anticipation Note, Issued July 1, 2014, Interest at 2.85%, due June 30, 2015	\$ 0	\$1,059,597	\$1,059,597	\$ 0

**NOTE 8 - UNEARNED REVENUE (DEFERRED INFLOWS)**

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

Federal funds	\$ 0
State funds	0
Other funds	<u>10,273</u>
Total unearned revenues	<u>\$10,273</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.

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 per year for the first three years of employment, and

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 9 - SICK LEAVE (CONTINUED)**

15 sick days per year beginning with the fourth year of employment, and may accumulate a maximum of 90 days.

There is no vesting of sick time. Sick time is only bought back under various stipulations at retirement.

**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 1<sup>st</sup> 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 2014-2015; therefore, there is no actual or contingent liability beyond FY 14-15.

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, 2015, six (6) teachers vested in this buy back for a total contingent liability of \$3,306.

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**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, 2015, six (6) staff employees vested in this buy back for a total contingent liability of \$2,710.

Any employee is retired and received the sick day buy back was paid prior to June 30, 2015.

**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, 2014	Borrowings	Retirements	Balance June 30, 2015
<b><u>BONDS:</u></b>				
General Obligation Bond Payable, no interest, principal of \$500,000 due at maturity on March 1 <sup>st</sup> , 2027; originally borrowed \$500,000 on August 2 <sup>nd</sup> , 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 <sup>nd</sup> and August 2 <sup>nd</sup> of each year until 2027.	\$500,000	\$ 0	\$ 0	\$500,000

Vermont Environmental Protection Agency Drinking Water State Revolving Fund, Note Payable, no

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 11 - LONG-TERM OBLIGATIONS (CONTINUED)**

	Balance July 1, 2014	Borrowings	Retirements	Balance June 30, 2015
interest or administration fee, principal of \$1,105 due on Jan. 1st of each year from 2020 until 2024; originally approved to borrow \$5,525 on April 13, 2015, for planning phase of a water project.	\$ 0	\$5,497	\$ 0	\$ 5,497
<b>TOTAL BONDS</b>	<b><u>\$500,000</u></b>	<b><u>\$5,497</u></b>	<b><u>\$ 0</u></b>	<b><u>\$505,497</u></b>
<b>Total Bonds and Notes</b>	<b><u>\$500,000</u></b>	<b><u>\$5,497</u></b>	<b><u>\$ 0</u></b>	<b><u>\$505,497</u></b>

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, 2016	\$ 0	\$ 5,000	\$ 5,000
2017	0	5,000	5,000
2018	0	5,000	5,000
2019	0	5,000	5,000
2020	1,105	5,000	6,105
2021-2025	4,392	25,000	29,392
2026-2030	<u>500,000</u>	<u>12,500</u>	<u>512,500</u>
Totals	<u>\$505,497</u>	<u>\$62,500</u>	<u>\$567,997</u>

**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 15-16 General Operations at Board Discretion	<u>\$196,731</u>
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Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

Capital Projects Fund:	
Capital Project	<u>\$ 10,925</u>
Other Governmental Fund:	
Debt Service Fund	<u>\$135,967</u>

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

Restricted net resource 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>\$ 10,925</u>
Net Resources Restricted For Other Purposes:	
Reserved for FY 15-16 General Operations at Board Discretion	\$196,731
Debt Service Fund	<u>135,967</u>
Total	<u>\$332,698</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 \$51,336 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 \$1,446 were transferred from the Special Revenue Fund – Fresh Fruit & Veggies to the Enterprise Fund – Food Program for the purpose of certain expenses.

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 15 - PENSIONS**

**VERMONT TEACHERS' RETIREMENT SYSTEM**

*Plan Description.* VSTR is a cost-sharing multiple-employer defined benefit pension plan with a specific funding situation administered by the Vermont State Teachers Retirement System (VSTR) that provides benefits for teaching-certified employees of participating school districts. Title 16 of the Vermont State Statutes grants the authority to establish and amend the benefit terms to the VSTR Board of Trustee. VSTR issues a publicly available financial report that can be obtained at [www.vermonttreasurer.gov/retirement/vstr-financial-reports](http://www.vermonttreasurer.gov/retirement/vstr-financial-reports).

*Benefits provided.* VSTR provides retirement, disability, and death benefits. Retirement benefits vary based on group classification (Group A or Group C), years of service, and age at retirement. Details of benefits are explained in Vermont Statutes Annotated Title 16 Section 1937. Five years of service is required for disability eligibility. Details of disability benefits are explained in Vermont Statutes Annotated Title 16 section 1938. Details of death benefits are explained in Vermont Statutes Annotated Title 16 section 1940.

Public school teachers employed within the State of Vermont prior to July 1, 1981 and elected to remain in Group A are eligible for group A benefits. Public school teachers employed within the State of Vermont on or after July 1, 1990 are automatically a Group C member. All employees hired before July 1, 1990, who were a Group B member, are now a Group C member.

*Contributions.* Per Vermont Statutes Annotated Title 16 Section 1944, contribution requirements of the active employees and the participating school districts are established and may be amended by the VSTR Board. Title 16 also requires the State to contribute 100 percent of school districts' contractually required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees are required to contribute 5.5% for Group A, 6% for Group C with less than 5 years of employment and 5% for Group C with more than 5 years of employment of their annual pay. The school districts' contractually required contribution rate for the year ended June 30, 2015, was 12.75 percent of annual school district payroll of which 0 percent of payroll was required from the school districts and 12.75 percent of payroll was required from the State. State contributions to the pension plan were \$170,613 for the year ended June 30, 2015.

*Pension Liability, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension*

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 15 – PENSIONS (CONTINUED)**

**VERMONT TEACHERS' RETIREMENT SYSTEM (CONTINUED)**

At June 30, 2014, the State reported a liability of \$2,164,564 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the date. The State's proportion of the net pension liability was based on a projection of the State's long-term share of contributions to the pension plan relative to the total projected contributions of the state and all participating school districts, actuarially determined. At June 30, 2014, the State's proportion was 100 percent.

As a result of its requirement to contribute to VSTR, the State recognized expense of \$2,164,564 for the year ended June 30, 2014. At June 30, 2014, the State reported deferred outflows of resources and deferred inflows of resources from the following sources as a result of its requirement to contribute to VSTR.

	<u>Deferred Outflows Of Resources</u>	<u>Deferred Inflows Of Resources</u>
Differences between expected and actual experience	\$0	\$0
Changes in assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	0	0
Change in proportional share	0	0
State contributions subsequent to the measurement date	<u>0</u>	<u>0</u>
Total	<u>\$0</u>	<u>\$0</u>

\$61,740 reported as deferred outflows of resources related to pensions resulting from State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources as a result of the State's requirement to contribute to VSTR will be recognized in expenses as follows:

Year ended June 30:	
2016	\$(61,740)
2017	(61,740)
2018	(53,634)
2019	0
2020	0
Thereafter	0

*Actuarial assumptions.* The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 15 – PENSIONS (CONTINUED)**

**VERMONT TEACHERS’ RETIREMENT SYSTEM (CONTINUED)**

Inflation	3-3.25 percent
Salary increases	4.25 – 8.4 percent, average, including inflation
Investment rate of return	13.83 percent, net of pension plan investment expense, Including inflation

Mortality rates were based on the 12995 Buck Mortality Tables for Males or Females, as appropriate.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2010. Expectation of life after disability was based on RP 2000 Disabled Life Tables.

The long-term expected rate of return on System investments was determined using best estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) developed for each major asset class using an econometric model that forecasts a variety of economic environments and then calculates asset class returns based on functional relationships between the economic variables and the asset classes. These best estimate ranges were combined to produce forecast of the short, intermediate, and longer term horizons by weighting the expected future nominal rates of return by the target asset allocation percentage. The various time horizons in the forecast are intended to capture more recent economic and capital market conditions as well as other plausible environments that could develop in the future over economic cycles. To reflect this in the rate-of-return assumption, a Select and Ultimate assumption setting approach, which is cited in Section 3.6.4 of Actuarial Standard of Practice No. 27 as an alternative to a single assumed rate of return, is employed.

The target allocation and best estimates of arithmetic real rate of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Fixed Income	33.0%	2.94%
Equity	31.5	6.70
Alternative	15.5	6.26
Multi-Strategy	20.0	5.98

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 15 – PENSIONS (CONTINUED)**

**VERMONT TEACHERS’ RETIREMENT SYSTEM (CONTINUED)**

*Discount rate.* The discount rate used to measure the total pension liability was 8.15 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined, and that contributions from the State will be made at current statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the State’s proportionate share of the net pension liability to changes in the discount rate.* The following presents the State’s proportionate share of the net pension liability calculated using the discount rate of 8.15 percent, as well as what the State’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.15 percentage) or 1-percentage -point higher (9.15 percentage) than the current rate:

	1% Decrease <u>(7.15%)</u>	Discount Rate <u>(8.15%)</u>	1% Increase <u>(9.15%)</u>
State’s proportionate share of The net pension liability	\$2,842,746	\$2,164,564	\$1,595,274

*Pension plan fiduciary net position.* Detailed information about the pension plan’s fiduciary net position is available in the separately issued VSTR financial report.

**DEFINED CONTRIBUTION RETIREMENT PLAN**

The 403(B) Berlin School District Retirement Plan is a defined contribution pension plan established by the Board to provide benefits at retirement to Educational Support Staff. At June 30, 2015, there were eleven (11) plan members. Plan members are not required to contribute percent of their covered salary. Per the current Master ESP Agreement, the School District is required to contribute the following percentages of annual “contracted” covered payroll.

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

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 15 – PENSIONS (CONTINUED)**

**DEFINED CONTRIBUTION RETIREMENT PLAN (CONTINUED)**

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 School District contributed \$14,140 during the year. The School District's total payroll for all employees was \$1,824,370 with \$282,791 of such amount being related to employees covered by the Plan.

There were no forfeitures for the year. The amount of liability under this plan at June 30, 2015 is \$0.

**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 the members.

In addition, 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 trusts; 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

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 16 - RISK MANAGEMENT (CONTINUED)**

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 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

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 16 - RISK MANAGEMENT (CONTINUED)**

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, 2015, the Berlin School District borrowed \$1,414,204 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, 2016.

**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, 2015, 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, 2015, 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 has 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 the 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

Berlin School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 19 - RELATED PARTY (CONTINUED)**

busing and copier services for the District, the cost of which is billed by each company directly 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 the Washington Central Supervisory Union are available from the Washington Central Supervisory Union.

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.

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, 2015, there was no balance owed to the District.

**NOTE 20 - CONTINGENCY**

Annually, before November 1st, the Secretary of the Vermont Agency 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, 2015

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
<b>REVENUES:</b>				
Earnings on Investments		\$ 21,475	\$ 34,666	\$ 13,191
Rental Income		-	4,215	4,215
Miscellaneous		3,000	11,949	8,949
Private:				
E-Rate		4,700	12,110	7,410
State:				
Education Spending Grant		2,750,142	2,750,142	-
State Transportation Aid		46,710	46,595	(115)
Mainstream Block Grant		65,410	65,410	-
SPED Expenditure Reimbursement		329,507	301,194	(28,313)
SPED Expenditure Reimbursement - Prior Year		-	(231)	(231)
Extraordinary Reimbursement		19,885	33,561	13,676
Extraordinary Reimbursement - Prior Year		-	(940)	(940)
Essential Early Education		<u>24,141</u>	<u>24,141</u>	<u>-</u>
<b>TOTAL REVENUES</b>		<u>3,264,970</u>	<u>3,282,812</u>	<u>17,842</u>
<b>EXPENDITURES:</b>				
Elementary:				
Instructional Programs 1100:				
Regular Salaries	110	826,096	799,474	26,622
Temporary Salaries	120	33,000	36,823	(3,823)
Health Insurance	210	164,223	159,687	4,536
Social Security	220	63,588	61,014	2,574
Retirement	240	1,593	740	853
Section 125	245	847	847	-
Workers Compensation	250	7,079	4,995	2,084
Unemployment Compensation	260	5,289	4,423	866
Tuition Reimbursement	270	25,000	18,546	6,454
Dental Insurance	280	6,800	5,939	861
Disability Benefits	285	3,240	2,117	1,123
Professional Education	320	5,000	1,874	3,126
Other Professional Services	330	4,500	1,675	2,825
Rentals and Leases	440	2,000	2,968	(968)
Supplies	610	35,563	29,325	6,238
Books and Periodicals	640	17,535	8,527	9,008
Equipment	730	-	581	(581)

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, 2015

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
Dues and Fees	810	\$ -	\$ 220	\$ (220)
Subtotal		<u>1,201,353</u>	<u>1,139,775</u>	<u>61,578</u>
Essential Early Preschool 1101:				
Salaries	110	52,583	40,618	11,965
Temporary Salaries	120	-	160	(160)
Health Insurance	210	-	10,846	(10,846)
Social Security	220	4,023	2,948	1,075
Retirement	240	-	651	(651)
Section 125	245	55	55	-
Workers Compensation	250	420	420	-
Unemployment Compensation	260	330	330	-
Tuition Reimbursement	270	800	525	275
Dental Insurance	280	316	315	1
Disability Benefits	285	162	122	40
Other Professional Services	330	-	286	(286)
Supplies	610	1,050	1,138	(88)
Subtotal		<u>59,739</u>	<u>58,414</u>	<u>1,325</u>
Special Education 1210:				
Salaries	110	341,894	307,758	34,136
Temporary Salaries	120	5,800	12,367	(6,567)
Health Insurance	210	107,800	81,861	25,939
Social Security	220	25,200	22,299	2,901
Retirement	240	7,466	5,518	1,948
Section 125	245	550	550	-
Workers Compensation	250	2,844	2,844	-
Unemployment Compensation	260	2,128	2,128	-
Tuition Reimbursement	270	4,000	1,890	2,110
Dental Insurance	280	5,060	3,529	1,531
Disability Benefits	285	1,350	867	483
Other Professional Services	330	68,000	131,381	(63,381)
SU Shared Services	332	-	32,456	(32,456)
Repairs and Maintenance	430	-	684	(684)
Communications	530	2,000	2,000	-
Travel	580	-	52	(52)
Supplies	610	4,000	4,001	(1)
Books and Periodicals	640	-	85	(85)

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, 2015

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
Equipment	730	\$ 1,500	\$ 424	\$ 1,076
Subtotal		<u>579,592</u>	<u>612,694</u>	<u>(33,102)</u>
Guidance Services 2120:				
Salaries	110	58,461	59,296	(835)
Health Insurance	210	18,046	17,929	117
Social Security	220	4,238	4,235	3
Section 125	245	55	55	-
Workers Compensation	250	491	491	-
Unemployment Compensation	260	367	367	-
Tuition Reimbursement	270	1,300	145	1,155
Dental Insurance	280	527	521	6
Disability Benefits	285	237	165	72
Supplies	610	600	314	286
Books and Periodicals	640	250	63	187
Subtotal		<u>84,572</u>	<u>83,581</u>	<u>991</u>
Health Services 2130:				
Salaries	110	54,861	54,263	598
Temporary Salaries	120	-	1,913	(1,913)
Health Insurance	210	14,437	14,488	(51)
Social Security	220	4,010	3,568	442
Section 125	245	55	55	-
Workers Compensation	250	450	450	-
Unemployment Compensation	260	345	345	-
Tuition Reimbursement	270	1,300	798	502
Dental Insurance	280	422	420	2
Disability Benefits	285	223	154	69
Equipment Repairs	430	500	211	289
Supplies	610	2,400	1,565	835
Books and Periodicals	640	100	49	51
Subtotal		<u>79,103</u>	<u>78,279</u>	<u>824</u>
Speech Services 2152:				
Salaries	110	61,439	60,227	1,212
Temporary Salaries	120	-	243	
Health Insurance	210	18,046	18,076	(30)
Social Security	220	4,466	4,324	142
Section 125	245	55	55	-
Workers Compensation	250	516	516	-

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, 2015

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
Unemployment Compensation	260	\$ 386	\$ 386	\$ -
Tuition Reimbursement	270	1,000	-	1,000
Dental Insurance	280	527	526	1
Disability Benefits	285	249	169	80
Other Professional Services	330	<u>8,000</u>	<u>-</u>	<u>8,000</u>
Subtotal		<u>94,684</u>	<u>84,522</u>	<u>10,162</u>
Physical Therapy Services 2190:				
Other Professional Services	330	<u>5,000</u>	<u>272</u>	<u>4,728</u>
Subtotal		<u>5,000</u>	<u>272</u>	<u>4,728</u>
Curriculum Assessment 2212:				
Supervisory Union Services	331	<u>21,918</u>	<u>21,918</u>	<u>-</u>
Subtotal		<u>21,918</u>	<u>21,918</u>	<u>-</u>
School Library Services 2222:				
Regular Salaries	110	36,670	35,761	909
Social Security	220	2,805	2,736	69
Section 125	245	55	55	-
Workers Compensation	250	274	274	-
Unemployment Compensation	260	205	205	-
Tuition Reimbursement	270	1,300	1,080	220
Dental Insurance	280	316	315	1
Disability Benefits	285	132	90	42
Equipment Repairs	430	300	-	300
Supplies	610	880	544	336
Books and Periodicals	640	4,750	7,009	(2,259)
Audio Visual Materials	650	350	-	350
Computer Software	670	<u>-</u>	<u>368</u>	<u>(368)</u>
Subtotal		<u>48,037</u>	<u>48,437</u>	<u>(400)</u>
Technology Services 2225:				
Salaries	110	21,739	21,158	581
Social Security	220	1,663	1,619	44
Workers Compensation	250	183	183	-
Unemployment Compensation	260	137	137	-
Tuition Reimbursement	270	200	-	200
Dental Insurance	280	211	210	1
Disability Benefits	285	88	60	28
Other Professional Services	330	2,100	-	2,100
Supervisory Union Services	331	48,881	48,881	-

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, 2015

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
Repairs and Maintenance	430	\$ 8,114	\$ -	\$ 8,114
Telephone	530	13,499	12,828	671
Supplies	610	2,000	3,384	(1,384)
Computer Software	670	3,747	8,998	(5,251)
Equipment	730	19,468	19,289	179
Subtotal		122,030	116,747	5,283
<b>Board of Education Services 2310:</b>				
Salaries	110	750	1,113	(363)
Social Security	220	58	70	(12)
Tuition Reimbursement	270	-	45	(45)
Legal Services	360	1,500	554	946
Advertising	540	2,000	1,356	644
Travel	580	100	-	100
Supplies	610	400	369	31
Dues and Fees	810	1,750	1,711	39
Subtotal		6,558	5,218	1,340
<b>Office of Superintendent 2321:</b>				
Supervisory Union Services	331	56,630	56,630	-
SU Shared Services	332	1,000	1,000	-
Subtotal		57,630	57,630	-
<b>Office of Principal 2410:</b>				
Salaries	110	91,166	82,000	9,166
Clerical Salaries	110	71,655	70,836	819
Temporary Salaries	120	3,500	1,250	2,250
Health Insurance	210	31,302	37,536	(6,234)
Social Security	220	12,317	11,070	1,247
Retirement	240	3,583	3,462	121
Section 125	245	165	165	-
Workers Compensation	250	1,397	1,397	-
Unemployment Compensation	260	1,045	1,045	-
Tuition Reimbursement	270	2,000	664	1,336
Dental Insurance	280	1,581	1,576	5
Disability Benefits	285	660	427	233
Equipment Maintenance	430	1,000	359	641
Telephone	530	2,500	2,085	415
Travel	580	400	479	(79)
Supplies	610	5,000	3,588	1,412

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, 2015

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
Books and Periodicals	640	\$ -	\$ 39	\$ (39)
Dues and Fees	810	525	595	(70)
Subtotal		<u>229,796</u>	<u>218,573</u>	<u>11,223</u>
Special Education Administration 2420:				
Supervisory Union Services	331	65,843	65,843	-
Supervisory Union Services - Early Ed	331	8,622	8,622	-
Subtotal		<u>74,465</u>	<u>74,465</u>	<u>-</u>
Fiscal Services 2520:				
Supervisory Union Services	331	41,965	41,965	-
Subtotal		<u>41,965</u>	<u>41,965</u>	<u>-</u>
Interest Expense 2523:				
Current Interest	830	31,475	30,116	1,359
Subtotal		<u>31,475</u>	<u>30,116</u>	<u>1,359</u>
Auditing Services 2526:				
Audit Services	370	3,500	4,550	(1,050)
Subtotal		<u>3,500</u>	<u>4,550</u>	<u>(1,050)</u>
Operation & Maintenance of Building 2600:				
Salaries	110	105,059	104,522	537
Temporary Salaries	120	7,508	8,401	(893)
Health Insurance	210	33,772	28,642	5,130
Social Security	220	8,173	8,242	(69)
Retirement	240	1,505	1,597	(92)
Section 125	245	165	165	-
Workers Compensation	250	946	946	-
Unemployment Compensation	260	707	707	-
Dental Insurance	280	1,581	1,570	11
Disability Benefits	285	426	306	120
Asbestos Removal	332	750	1,048	(298)
Water and Sewer	411	7,500	6,211	1,289
Disposal Services	421	2,650	2,798	(148)
Snow Plowing	422	3,200	3,450	(250)
Repairs and Maintenance	430	20,000	24,014	(4,014)
Grounds Maintenance	430	1,000	2,174	(1,174)
Health/Safety Maintenance	430	-	650	(650)
Furnace/Woodchipper Maintenance	430	5,000	690	4,310
Property and Liability Insurance	520	7,553	8,025	(472)
Travel Reimbursement	580	800	265	535

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, 2015

Schedule 1

	Object	Budget	Actual	Variance - Favorable (Unfavorable)
Supplies	610	\$ 10,000	\$ 13,709	\$ (3,709)
Electricity	622	36,000	31,978	4,022
Oil	624	55,000	61,572	(6,572)
Equipment	730	4,000	6,179	(2,179)
Subtotal		<u>313,295</u>	<u>317,861</u>	<u>(4,566)</u>
Student Transportation Services 2711:				
Student Transportation	519	<u>114,714</u>	<u>114,793</u>	<u>(79)</u>
Subtotal		<u>114,714</u>	<u>114,793</u>	<u>(79)</u>
SPED Student Transportation Services 2711:				
Student Transportation	519	<u>5,000</u>	<u>498</u>	<u>4,502</u>
Subtotal		<u>5,000</u>	<u>498</u>	<u>4,502</u>
Student Transportation Services 2720:				
Field Trips	519	<u>6,000</u>	<u>1,732</u>	<u>4,268</u>
Subtotal		<u>6,000</u>	<u>1,732</u>	<u>4,268</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>3,187,634</u>	 <u>3,117,040</u>	 <u>70,594</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		 77,336	 165,772	 88,436
 OTHER FINANCING SOURCES (USES):				
Transfer To Bond Sinking Fund		(26,000)	(26,000)	-
Transfer To Enterprise Fund		<u>(51,336)</u>	<u>(51,336)</u>	<u>-</u>
 EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		 -	 88,436	 88,436
 FUND BALANCE, JULY 1, 2014		 <u>-</u>	 <u>108,295</u>	 <u>108,295</u>
 FUND BALANCE, JUNE 30, 2015		 <u>\$ -</u>	 <u>\$ 196,731</u>	 <u>\$ 196,731</u>

The accompanying notes are an integral part of these financial statements

Berlin School District  
 Combining Balance Sheet  
 Special Revenue Funds  
 June 30, 2015

Schedule 2

	Garden Project	Fitness Grant	YMCA & Gifford Walk Path	Totals
<b>ASSETS:</b>				
Current Assets:				
Due From Other Funds	\$ 2,000	\$ 1,000	\$ 5,000	\$ 8,000
Total Current Assets	<u>2,000</u>	<u>1,000</u>	<u>5,000</u>	<u>8,000</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,000</u></b>	<b><u>\$ 1,000</u></b>	<b><u>\$ 5,000</u></b>	<b><u>\$ 8,000</u></b>
<b>LIABILITIES &amp; FUND BALANCES:</b>				
Liabilities:				
Deferred Revenue	\$ 2,000	\$ 1,000	\$ 5,000	\$ 8,000
Total Liabilities	<u>2,000</u>	<u>1,000</u>	<u>5,000</u>	<u>8,000</u>
Fund Balances:				
Restricted	-	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b><u>\$ 2,000</u></b>	<b><u>\$ 1,000</u></b>	<b><u>\$ 5,000</u></b>	<b><u>\$ 8,000</u></b>

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, 2015

Schedule 3

	School Wide Program	Garden Project	Fresh Fruit & Veggies	Medicaid IEP	Medicaid EPSDT	Totals
REVENUES:						
Private/Local				\$ 10,000	\$ 3,250	\$ 13,250
State		\$ 4,874				4,874
Federal	\$ 94,088	-	\$ 13,973	-	-	108,059
<b>TOTAL REVENUES</b>	<u>94,088</u>	<u>4,874</u>	<u>13,973</u>	<u>10,000</u>	<u>3,250</u>	<u>126,183</u>
EXPENDITURES:						
Direct Services	94,088				1,481	95,567
Support Services:						
Students				10,000	812	10,812
Food Services	-	4,874	12,527	-	957	18,358
<b>TOTAL EXPENDITURES</b>	<u>94,088</u>	<u>4,874</u>	<u>12,527</u>	<u>10,000</u>	<u>3,250</u>	<u>124,737</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	1,446	-	-	1,446
OTHER FINANCING SOURCES (USES):						
Transfers Out	-	-	(1,446)	-	-	(1,446)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	-	-	-	-	-
FUND BALANCE, JULY 1, 2014	-	-	-	-	-	-
<b>FUND BALANCE JUNE 30, 2015</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Berlin School District  
Statement of Changes in Assets and Liabilities  
Fiduciary Fund Type - Agency Funds  
For The Year Ended June 30, 2015

Schedule 4

	Balance July 1, 2014	Receipts	Disbursements	Transfers	Balance June 30, 2015
<b>Assets:</b>					
Due From Other Funds	\$ 8,769	\$ 7,109	\$ 7,397	\$ -	\$ 8,481
<b>Total Assets</b>	<u>\$ 8,769</u>	<u>\$ 7,109</u>	<u>\$ 7,397</u>	<u>\$ -</u>	<u>\$ 8,481</u>
<b>Liabilities:</b>					
Amount Held for Agency Funds	\$ 8,769	\$ 7,109	\$ 7,397	\$ -	\$ 8,481
<b>Total Liabilities</b>	<u>\$ 8,769</u>	<u>\$ 7,109</u>	<u>\$ 7,397</u>	<u>\$ -</u>	<u>\$ 8,481</u>

The accompanying notes are an integral part of these financial statements  
- 50 -

**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, 2015, 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 December 2, 2015.

**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

December 2, 2015



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2834 Shelburne Road  
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July 17, 2015

To the School Board  
Berlin School District

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Berlin School District** for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, Government Auditing Standards and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 14, 2015. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Berlin School District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during June 30, 2015. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the lives of property, plant, and equipment is based on expected usefulness. We evaluated the key factors and assumptions used to develop

the lives of property, plant, and equipment in determining that it is reasonable in relation to the financial statements taken as a whole.

Management estimates the final receivable or payable with the State of Vermont Department of Education for special education expense reimbursement.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of Fund Balances and Net Resources in Notes 12 and 13 to the financial statements as to how any surplus is to be used in future fiscal years.

Other Post Employment Benefits (OPEB) and Termination Benefits in Note 10 to the financial statements as to how it is being offered and any contingent and real liabilities that exist.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

#### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter.

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the governmental unit’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of School Board and management of Berlin School District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

***Angolano & Company***

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