



The mission of Leland and Gray is to engage its students in an education that promotes excellence, fosters community, and respects individuality.

# Annual Report 2018



## REBEL NATION

**R**-espect **E**-ncourage **B**-elieve **E**-xcel **L**-eadership

**N**-oble **A**-mbitions **T**-ogether **I**-nvolved **O**-pen minded **N**-ever give up



51st Annual Meeting on Tuesday, February 6, 2018 at 7:30 PM • Leland & Gray Middle High School

Australian Ballot Budget Vote at Town Polling Locations on Wednesday, February 7, 2018

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## Leland and Gray Budget Vote Results

Tuesday, February 07, 2017

	In Favor	Opposed	Total	Total/Town
Brookline	25	23		48
Jamaica	43	18		61
Newfane	126	38		164
Townshend	60	41		101
Windham	22	19		41
Results	<b>276</b>	<b>139</b>	<b>415</b>	

**WARNING**  
**LELAND AND GRAY UNION HIGH SCHOOL DISTRICT #34**  
**2018 ANNUAL MEETING**

The legal voters of Leland & Gray Union High School District #34, comprising the towns of Brookline, Jamaica, Newfane, Townshend and Windham, are hereby notified and warned to meet at the Leland and Gray High School Gymnasium in Townshend, Vermont on Tuesday, February 6, 2018 at 7:30 p.m. for the 2018 Annual Meeting and for a Public Informational Hearing on questions to be decided by Australian ballot, to act upon the following articles:

- Article I: To elect a Moderator to serve from July 1, 2018 to June 30, 2019.
- Article II: To elect a Clerk to serve from July 1, 2018 to June 30, 2019.
- Article III: To elect a Treasurer to serve from July 1, 2018 to June 30, 2019.
- Article IV: To compensate the Directors \$400, the Chair \$500, and the Treasurer \$500.
- Article V: To set the date of the Annual Meeting of the District for the first Tuesday of February in the year of 2019.
- Article VI: To conduct a Public Informational Hearing on the 2018 - 2019 Leland & Gray Union High School District #34 budget, which is to be established on February 7, 2018 by Australian ballot on the following ballot question: " Shall the voters of the Leland and Gray Union High School District approve the school board to expend \$6,268,782 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 \$20,080.00 per equalized pupil. This projected spending per equalized pupil is 4.6 % higher than spending for the current year.
- Article VII: To transact any other business that may legally come before the meeting.

Dated at Townshend, Vermont this 20th day of December in the year 2017.

  
Gloria Cristelli, Clerk



**WARNING**

**LELAND & GRAY UNION HIGH SCHOOL DISTRICT #34**

**AUSTRALIAN BALLOT**

The legal voters of the Leland & Gray Union High School District Number 34, comprising the towns of Brookline, Jamaica, Newfane, Townshend and Windham, are hereby notified and warned to meet in the Town Offices in the Town of Brookline, the Town Offices in the Town of Jamaica, the NewBrook Fire Department, VT Route 30, in the Town of Newfane, the Town Hall in the Town of Townshend, and the Town Offices in the Town of Windham respectively on Wednesday, February 7, 2018 to vote by Australian Ballot on the following question, beginning at 9:00 a.m. in Brookline, 10:00 a.m. in Jamaica, 9:00 a.m. in Newfane, 9:00 a.m. in Townshend, 10:00 a.m. in Windham. Polls will close in all such Towns at 7:00 p.m.

Article I: Shall the voters of the Leland and Gray Union High School District approve the school board to expend \$6,268,782 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 \$20,080.00 per equalized pupil. This projected spending per equalized pupil is 4.6% higher than spending for the current year.

Dated at Townshend, Vermont this 20th day of December in the year of 2017.

  
Joe Winrich, *Chairperson*

  
Gloria Cristelli, *Clerk*

**Minutes of the Leland & Gray Union Middle and High School District #34  
2017 Annual Meeting  
February 7, 2017**

Joe Winrich, Chair of the Board, called the meeting to order at 7:30 p.m. He explained that due to health issues the Moderator elected last year could not continue as Moderator and the meeting, therefore, needed a moderator. Phoebe Connelly nominated Charlie Marchant. As there were no other nominations, Charlie Marchant was elected without dissent by voice vote and proceeded to moderate the meeting.

The Moderator asked those at the head table to introduce themselves. Present were Joe Winrich, Chair of the Leland & Gray Union School District #34; William Anton, Superintendent of Windham Central Supervisory Union; Laurie Garland, Interim Chief Financial Officer of Windham Central Union Supervisory; Robert Thibault, Principal of Leland & Gray Union Middle/High School District #34; Gloria Cristelli, Clerk of Leland & Gray Union Middle/High School District #34 Annual Meeting. Arriving later was Bahman Mahdavi, School Board Director from Newfane.

The Moderator said that Neil (Bucky) Pelsue, last year's duly elected Moderator, should be commended for his service to the schools. He then asked those present to observe a moment of silence for Ralph Coleman who passed away last fall. Ralph had served the West River Valley in many different civic roles, especially on the Leland & Gray board and as moderator. A moment of silence was observed. The Moderator indicated that both Bucky and Ralph had graduated from Leland & Gray.

The Moderator read Article I of the Warning and said he would read the other articles in the order of occurrence. He shared that he has family obligations that he has to attend to in Florida that often occur at the same time as the annual meeting; therefore, he could not consider being moderator.

Article I To elect a Moderator to serve from July 1, 2017 to June 30, 2018. Joe Winrich nominated David Liebow; as there were no other nominations, Mr. Liebow was elected without dissent by voice vote.

Article II To elect a Clerk to serve July 1, 2017 to June 30, 2018. Margaret Bills nominated Gloria Cristelli. As there were no other nominations, Ms. Cristelli was elected without dissent by voice vote.

Article III To elect a Treasurer to serve July 1, 2017 to June 30, 2018. Joe Winrich nominated Cynthia Davis. As there were no other nominations, Ms. Davis was elected without dissent by voice vote.

Article IV To compensate the Directors \$400, the Chair \$500, and the Treasurer \$500. Gloria Cristelli moved the article and Margaret Bills seconded the motion. The motion passed without dissent by voice vote.

Article V To set the date of the Annual Meeting of the District for the first Tuesday of February in the year of 2018. (February 6)

Andrew Snelling moved the article and Margaret Bills seconded the motion. Gloria Cristelli noted that the date will be February 6, 2018. Article V passed without dissent by voice vote.

Article VI To conduct a Public Informational Hearing on the 2017 – 2018 Leland & Gray High School District #34 budget, which is to be established on February 6, 2018 by Australian ballot on the following ballot question: "Shall the voters of the Leland and Gray Union High School District approve the school board to expend \$6,307,157 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 \$18,664 per equalized pupil. This projected spending per equalized pupil is 12% higher than spending for the current year.

Andy Snelling moved the article, and Gloria Cristelli seconded it. Gloria Cristelli talked to amendment that was made changing the date from February 6, 2018 to February 7, 2017. The Article VI as amended had been duly warned.

Article VI as amended prior to the beginning of the meeting reads as follows:

Article VI To conduct a Public Informational Hearing on the 2017 – 2018 Leland & Gray High School District #34 budget, which is to be established on **February 7, 2017** by Australian ballot on the following ballot question: "Shall the voters of the Leland and Gray Union High School District approve the school board to expend \$6,307,157 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 \$18,664 per equalized pupil. This projected spending per equalized pupil is 12% higher than spending for the current year.

The motion passed without dissent by voice vote.

Article VII: To transact any other business that may legally come before the meeting.

An email was received from Jeryl Julian-Cisse. This email is herein included as received for consideration for next year's warning and balloting. No discussion ensued except Joe Winrich said he would respond to Ms. Julian-Cisse.

*I am hoping to make my way back up to school for the meeting tonight, but that may not happen due to the bad driving conditions. I have a few questions and wonder if it is at the meeting tonight that the following issues would be discussed.*

*1. On the ballot for next year, are we able to include an additional sentence that indicates how much of an increase or decrease the amount to be voted is in relation to the current year's budget? For example, if this were the case for this year, after the statement on the equalized pupil spending being 12% higher, it might read,*

*"This proposed budget is .002% higher than the budget for the current year."*


*What would it take, and at what meeting would this happen?*


*2. In an attempt to increase voter participation, could our vote by Australian ballot happen on Town Meeting Day? I know this has been asked before, and I am aware that it does have some implications on the full town budget and that we have 5 towns voting, and possibly a delay in issuing teacher contracts. However, many other schools throughout Vermont do vote on their school budgets on Town Meeting Day and we are one of the earliest in the state.*

*My thinking is that we have many more people come out for our respective town meetings than come out for the separate vote in February. Though discussion could not take place at town meeting, voter numbers would be increased. With only 286 votes cast last year, more than that number attend the town meetings in the five L&G towns. This would also save money for each town to not have two separate events.*

*I would appreciate it if these questions could be brought up if I am not there in person.*

*Thank you very much,  
Jeryl Julian Cisse*

  
\_\_\_\_\_  
Joe Winrich, Chair of the Leland & Gray Middle/High School Board of Directors

  
\_\_\_\_\_  
Gloria J. Cristelli  
Clerk



## Report of the School Board Chair and Superintendent 2017-18

The mission of Leland and Gray Union Middle/High School is *to promote excellence, foster community, and respect individuality*.

Leland and Gray is fortunate to have very dedicated leadership and staff. The crafted budget builds towards the future of Personalized Learning Plans, Proficiency Based Graduation, and Standards Based Instruction. The entire L&G team has been working through a Design Thinking process in order to re-imagine what Leland and Gray can be, while building off of its solid foundation. With declining enrollment, creative thinking and strategic thinking is more critical than ever.

The L&G staff, administration, and school board are committed to improving student learning and achievement following the school's Continuous Improvement Plan. Both Leland and Gray and the WCSU provide strategic professional training to improve instruction in all subjects, with a particular focus on implementing the *Common Core State Standards PreK-12*.

This will be the final budget that the Leland and Gray Board develops. The newly formed West River Modified Unified Union School District will be creating the budget for the 2019-2020 school year. This new board encompasses the towns of Brookline, Jamaica, Newfane, Townshend, and Windham (7-12).

In 2014, the Board adopted a *Leland and Gray Vision for 2020*. This document drives our budgeting priorities every fall. Your school directors considered and weighed the value of every proposal keeping the needs of *all* students their top priority to graduate both college *and* career ready in making the tough decisions. The L&G Board meets on the second Tuesday of every month at 7 P.M. The board welcomes questions, comments and suggestions at every meeting.

To learn more, please read the budget and budget narrative posted online at [www.lelandandgray.org](http://www.lelandandgray.org). The school board will host an Information Meeting on this budget for all voters on Tuesday, January 23, 2018 in the L&G Library at 7:00 P.M. The L&G Union School District Annual Meeting, including a public hearing on the proposed budget, will be Tuesday, February 6, 2018 in the Gymnasium at 7:00 P.M. Our proposed budget will be voted by Australian ballot in each of the five L&G Union School District Towns on Wednesday, February 7, 2018.

We strongly urge you to attend the information meetings and to vote on February 7, 2018.

Respectfully submitted,

Joe Winrich, Chair  
Leland and Gray School Board

William Anton  
Windham Central Superintendent



## **Report from the Principal's Office for 2016-17 School Year**

Dear L&G Community,

The 2016-17 school year was an exciting one for me, as it was my first year as principal, and my return to Rebel Nation following a ten-year gap. Lots had changed here but there were still many familiar faces and still a commitment to ensuring that all of our students receive a high-quality educational experience that prepares them for college and careers.

We began in the fall exploring what makes L&G special, which included embarking on a process for change using a concept known as Design Thinking. This process puts the student at the center of the change by utilizing “empathy research” (shadowing, interviews, etc) to explore how L&G can move into the next phase of evolution following Vermont’s Education Quality Standards (EQS). This was a year-long process in which the staff collectively explored how to ensure that every student received a highly personalized education while simultaneously achieve proficiency in the areas outlined in EQS. We prototyped change projects, discussed the future, and attempted to explore the world through the students’ eyes. This work continues into 2017-18 and beyond, and we hope to present to the community our final result sometime in the future.

During the school year, L&G (or L&G staff) received a variety of awards and recognition. In the fall, L&G was recognized as a “School of Opportunity” for our work in ensuring that students were able to access a variety of services, like dental care, the food shelf, and counseling. We were also recognized as a Bronze Medal level school by US News and World Report, within other Vermont high schools. Individually, Players’ Director (Drama) Ann Landenberger was recognized as the VT winner of the NFHS “Heart of the Arts” program for her 20+ years of work directing performances. Bruce Whitman, high school science teacher, was also awarded the VCSEA “Golden Apple” for his superior work with special education students. We’re very proud of all of these accomplishments!

At the end of the school year, we had several retirements collectively representing nearly 80 years of L&G experience and commitment. Ann Landenberger (English and Drama), Ron Kelley (Music), Paul Paytas (Science) and Jane Olmstead (Social Studies) all participated in a retirement buyout, and we are forever thankful the many lives that these four teachers touched.

Respectfully Submitted,

Bob Thibault, Principal

## **Windham Central Supervisory Union Superintendent's Letter 2018**

The Windham Central Supervisory Union (WCSU) is growing and changing. The citizens of Brookline, Jamaica, Newfane, and Townshend voted in 2016 to become one school district. This vote created the West River Modified Unified Union Education District (West River MUUED). This district also includes Windham students in grades 7-12. The citizens of Dover and Wardsboro voted in 2016 to create one school district as well, the River Valleys Unified School District. The citizens of Marlboro voted in 2016 to create a stand alone school district under the ACT 49 model. As of this writing, both Windham and Stratton are preparing proposals under ACT 46 to be reviewed by the State Board of Education in consideration of the ACT 46 Statewide plan.

The WCSU is in year two of building a forward thinking team to lead the next generation of high quality student learning. Our Superintendent, Business Manager, and Director of Curriculum are in their second years and joined by a new Director of Special Education. We welcomed three new principals to our experienced instructional leaders. Our teaching professionals have been engaged in targeted professional development, deepening their knowledge and building on their existing capacity to create effective student learning opportunities. The entire WCSU team is engaged in student improvement and success.

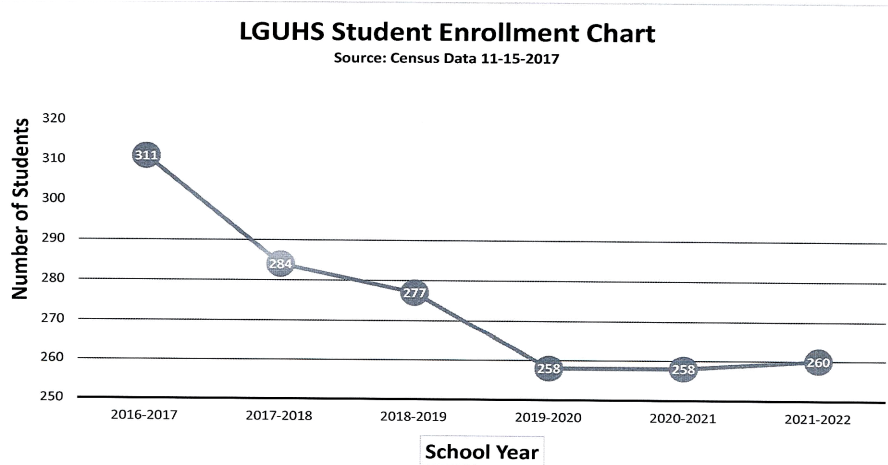
The WCSU is a partner in three statewide initiatives that will help provide valuable information about how to allocate resources, develop professional acumen, and make strategic long-term instructional decisions.

I encourage everyone to participate in the information sessions for current budgets. I also encourage you to attend the board meetings of the new districts and participate in the creation of our new governance structures. I am confident that the leadership of the individual school boards, the WCSU board, our principals, and the teachers and staff of the WCSU are ready to embrace the challenge of the future.

Thank you for supporting our schools.

William Anton, WCSU Superintendent of Schools

## Enrollment Statistics and Projections



### L&G Enrollment by Town as of 11/1/17

#### Five Member Towns:

Brookline	37
Jamaica	37
Newfane	77
Townshend	71
Windham	9

#### Tuition Students:

Including Athens, Dover, Grafton, Marlboro, Wardsboro, Winhall	64
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<b>Total Enrollment</b>	<b>295</b>
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### Leland and Gray Union High School District Officers

David Liebow	Moderator
Gloria Critelli	Clerk
Cynthia Davis	Treasurer

### Windham Central Supervisory Union

William Anton	Superintendent of Schools
Laurie Garland	Business Manager
Stephanie Betit-Hancock	Director of Special Education
Jen McKusick	Director of Curriculum

### School Board Members

Joe Winrich	Chair	Townshend	2020
Emily Long	V Chair	Newfane	2018
Drew Hazelton	Member	Jamaica	2019
Abigail Dillon	Member	Brookline	2019
Bahman Mahdavi	Member	Newfane	2018
Kelli Warriner	Member	Newfane	2019
Twillia Holden	Clerk	Townshend	2020
Howard Ires	Member	Windham	2017
Caroline Perrson	Member	Jamaica	2019
Kelli Warriner	Member	Newfane	2019
Lyndall Boal	Member	Brookline	2019

# Leland and Gray Union Middle High School

## EXPENSE Summary-FY 19 Proposed Budget Report

Summary by Function	FY17 Actual	FY18 Budget	FY19 Proposed Budget	\$\$ Variance	% Variance	FTE	FTE*	Total FTE
1000 - Direct Instructional Services	\$ 407,496	\$ 520,943	\$ 514,035	\$ (6,908)	-1%	2.00		2.00
1002 - Art	\$ 102,381	\$ 104,466	\$ 108,781	\$ 4,315	4%	1.00		1.00
1003 - Career Education	\$ 57,954	\$ 56,415	\$ -	\$ (56,415)	-100%	0		0.00
1005 - English	\$ 352,199	\$ 280,768	\$ 282,782	\$ 2,014	1%	4.00		4.00
1006 - Foreign Language	\$ 183,559	\$ 188,094	\$ 196,045	\$ 7,951	4%	2.00		2.00
1008 - Physical & Health Ed.	\$ 218,723	\$ 231,663	\$ 237,747	\$ 6,084	3%	2.33		2.33
1009 - Consumer Science	\$ 58,298	\$ 68,818	\$ 67,745	\$ (1,073)	-2%	0.67		0.67
1010 - Tech Ed & Wood Work	\$ 60,343	\$ 68,566	\$ 25,393	\$ (43,173)	-63%	0.33		0.33
1011 - Math	\$ 422,614	\$ 376,961	\$ 368,319	\$ (8,642)	-2%	4.00		4.00
1012 - Music	\$ 164,282	\$ 206,011	\$ 173,541	\$ (32,470)	-16%	1.00	0.90	1.90
1013 - Science	\$ 405,533	\$ 322,780	\$ 322,223	\$ (557)	0%	4.00		4.00
1015 - Social Studies	\$ 380,926	\$ 386,675	\$ 405,812	\$ 19,137	5%	4.00		4.00
1021 - Driver Ed	\$ 61,582	\$ 63,443	\$ 49,147	\$ (14,296)	-23%	0.50		0.50
1200 - Special Ed - In District	\$ 1,540,094	\$ 646,717	\$ 642,696	\$ (4,021)	-1%	0	18.20	18.20
1400 - Co-curricular	\$ 317,340	\$ 320,764	\$ 321,133	\$ 369	0%	1.00		1.00
<b>Subtotal - Direct Instructional Services</b>	<b>\$ 4,733,325</b>	<b>\$ 3,843,084</b>	<b>\$ 3,715,401</b>	<b>\$ (127,683)</b>	<b>-3.3%</b>	<b>26.83</b>	<b>19.10</b>	<b>45.93</b>
2100 - Support Services - Counseling/Nurse/Workbased								
	\$ 287,127	\$ 285,643	\$ 435,264	\$ 149,621	52%	5.00		5.00
2200 - Support Services - Instruct Staff /Tech/PD/Library								
	\$ 308,855	\$ 505,557	\$ 506,150	\$ 593	0%	2.00	2.29	4.29
2300 - Support Services General Adm (Board)	\$ 382,474	\$ 373,489	\$ 366,161	\$ (7,328)	-2%	0		0.00
2400 - Support Services- School Adm (Principal)	\$ 358,852	\$ 372,327	\$ 292,103	\$ (80,224)	-22%	3.00		3.00
2500 - Support Services - Business	\$ 26,318	\$ 7,000	\$ 11,500	\$ 4,500	64%	0		0.00
2600 - Operation & Maintenance of Plant Serv	\$ 534,117	\$ 551,394	\$ 571,745	\$ 20,351	4%	5.00		5.00
2700 - Student Transportation Services	\$ 163,128	\$ 159,146	\$ 162,915	\$ 3,769	2%	0		0.00
<b>Subtotal Support Services</b>	<b>\$ 2,060,872</b>	<b>\$ 2,254,556</b>	<b>\$ 2,345,838</b>	<b>\$ 91,282</b>	<b>4%</b>	<b>15.00</b>	<b>2.29</b>	<b>17.29</b>
3100 - Food Service	\$ 8,348	\$ 8,547	\$ 11,325	\$ 2,778	33%			
<b>Subtotal - Non Instructional Services</b>	<b>\$ 8,348</b>	<b>\$ 8,547</b>	<b>\$ 11,325</b>	<b>\$ 2,778</b>	<b>33%</b>			
5100 - Debt Service	\$ 223,403	\$ 200,970	\$ 196,218	\$ (4,752)	-2%			
<b>Subtotal- Debt</b>	<b>\$ 223,403</b>	<b>\$ 200,970</b>	<b>\$ 196,218</b>	<b>\$ (4,752)</b>	<b>-2.4%</b>			
<b>Grand Total</b>	<b>\$ 7,025,947</b>	<b>\$ 6,307,157</b>	<b>\$ 6,268,782</b>	<b>\$ (38,375)</b>	<b>-0.61%</b>	<b>41.83</b>	<b>21.39</b>	<b>63.22</b>

### Summary by OBJECT

Salary	\$ 2,844,972	\$ 2,862,593	\$ 2,748,152	\$ (114,441)	-4.0%
Health and Dental	\$ 620,620	\$ 613,806	\$ 492,492	\$ (121,314)	-19.8%
Payroll Benefits	\$ 277,421	\$ 309,069	\$ 285,652	\$ (23,417)	-7.6%
Total Salary and Benefits	\$ 3,743,014	\$ 3,785,468	\$ 3,526,296	\$ (259,172)	-6.8%
GOE**	\$ 3,282,934	\$ 2,521,689	\$ 2,742,486	\$ 220,797	8.8%
Total	\$ 7,025,947	\$ 6,307,157	\$ 6,268,782	\$ (38,375)	-0.6%

\* FTE Purchased from WCSU

\*\* General Operating Expenses



## Leland and Gray FY 19 Proposed Budget

Account Description	FY 17 Budget	FY17 Actual Unaudited	FY18 Budget	FY19 Proposed Budget	\$\$ Variance	% Variance YOY
1322 - Public School Tuition	\$ 852,500	\$ 799,972	\$ 832,000	\$ 833,000	\$ 1,000	0.1%
1510 - Interest Income	\$ 11,000	\$ 9,616	\$ 10,600	\$ 9,500	\$ (1,100)	-10.4%
1990 - Misc Local Donations/Grants	\$ 22,957	\$ 46,312	\$ 18,060	\$ 18,060	\$ -	0.0%
1910 - Rental Income		\$ -	\$ -	\$ 8,100	\$ 8,100	0.0%
Subtotal of: Function1900 - Local Income	\$ 886,457	\$ 855,900	\$ 860,660	\$ 868,660	\$ 8,000	0.9%
2200 - WCSU Subgrant	\$ 189,380	\$ 174,821	\$ 202,654	\$ 153,443	\$ (49,211)	-24.3%
Subtotal of: Function2000 - Subgrants From SU	\$ 189,380	\$ 174,821	\$ 202,654	\$ 153,443	\$ (49,211)	-24.3%
3110 - Education Spending Grant	\$4,858,219	\$ 4,885,581	\$ 5,109,831	\$ 5,097,367	\$ (12,464)	-0.2%
3114 - Career Center Paid by State	\$ 78,837	\$ 51,475	\$ 68,112	\$ 68,112	\$ -	0.0%
3150 - State Aid for Transportation	\$ 52,000	\$ 52,880	\$ 59,000	\$ 59,000	\$ -	0.0%
3201 - Spec Ed Mainstream Block Grant	\$ 114,554	\$ 107,573	\$ -	\$ -	\$ -	0.0%
3202 - Spec Ed Intensive Reim	\$ 713,521	\$ 598,974	\$ -	\$ -	\$ -	0.0%
3203 - Spec Ed Extraordinary Reim	\$ 84,642	\$ 107,712	\$ -	\$ -	\$ -	0.0%
3205 - Spec Ed State Placed Student Reim	\$ 137,808	\$ 130,225	\$ -	\$ -	\$ -	0.0%
3282 - Driver's Education Aid	\$ 4,800	\$ 3,730	\$ 6,900	\$ 3,500	\$ (3,400)	-49.3%
3308 - Voc Ed Transportation State Aid		\$ 16,695	\$ -	\$ 16,000	\$ 16,000	0.0%
3370 - High School Completion Aid		\$ 2,718	\$ -	\$ 2,700	\$ 2,700	0.0%
Subtotal of: Function3000 - State Revenue	\$6,044,381	\$ 5,957,563	\$ 5,243,843	\$ 5,246,679	\$ 2,836	0.1%
<b>Grand Total</b>	<b>\$7,120,218</b>	<b>\$ 6,988,284</b>	<b>\$ 6,307,157</b>	<b>\$ 6,268,782</b>	<b>\$ (38,375)</b>	<b>-0.6%</b>

FTE

Expense Account Description	FY 17 Budget	FY17 Actual Unaudited	FY18 Budget	FY19 Proposed Budget	\$\$ Variance	% Variance YOY
504 Driver Salary		\$ 2,036	\$ -	\$ -	\$ -	0.0%
Salary Dean/Leadership/Aides	\$ 114,334	\$ 95,559	\$ 102,443	\$ 126,156	\$ 23,713	23.1%
Substitute Salary	\$ 40,000	\$ 37,327	\$ 40,000	\$ 40,000	\$ -	0.0%
General Reserve Salary & Benefits	\$ -	\$ -	\$ 47,592	\$ -	\$ (47,592)	-100.0%
General Health Ins	\$ 34,157	\$ 18,644	\$ 16,218	\$ 25,014	\$ 8,796	54.2%
General Dental	\$ 2,334	\$ 834	\$ 796	\$ 1,455	\$ 659	82.8%
General HRA	\$ -	\$ -	\$ -	\$ 6,750	\$ 6,750	0.0%
General FICA	\$ 11,807	\$ 10,086	\$ 14,538	\$ 12,711	\$ (1,827)	-12.6%
Life & Disability Insurance	\$ 11,000	\$ 13,284	\$ 13,500	\$ 13,500	\$ -	0.0%
Municipal Retirement	\$ 5,485	\$ 3,500	\$ 5,634	\$ 3,226	\$ (2,408)	-42.7%
Regular Workers Comp	\$ 1,306	\$ 1,890	\$ 1,900	\$ 2,000	\$ 100	5.3%
Unemployment Claims	\$ 20,000	\$ 9,214	\$ 20,000	\$ 15,000	\$ (5,000)	-25.0%
Purchased Prof Services	\$ 37,905	\$ 30,926	\$ 5,000	\$ 5,000	\$ -	0.0%
General 504 Services			\$ 5,800	\$ 5,500	\$ (300)	-5.2%
General Equip Maintenance	\$ 14,000	\$ 6,743	\$ 1,000	\$ 1,000	\$ -	0.0%
General Postage/Communication			\$ 13,000	\$ 13,000	\$ -	0.0%
Private School Tuition		\$ 8,030	\$ -	\$ -	\$ -	0.0%
Career Center State Tuition Exp.	\$ 78,837	\$ 51,475	\$ 68,112	\$ 68,112	\$ -	0.0%
Career Center LEA Tuition Exp.	\$ 91,619	\$ 70,453	\$ 66,610	\$ 66,610	\$ -	0.0%
Professional Travel		\$ 75	\$ -	\$ -	\$ -	0.0%
General Supplies	\$ 18,500	\$ 11,946	\$ 18,500	\$ 18,500	\$ -	0.0%
General Contracted Services		\$ -	\$ 38,000	\$ 35,000	\$ (3,000)	-7.9%
Regular Textbooks	\$ 3,000	\$ -	\$ 1,000	\$ 1,000	\$ -	0.0%
Internet Expense	\$ 14,000	\$ 24,170	\$ 25,800	\$ 25,800	\$ -	0.0%
Technical/Software	\$ 7,500	\$ 5,107	\$ 7,500	\$ 20,700	\$ 13,200	176.0%
General Graduation Expense	\$ 3,500	\$ 3,191	\$ 3,500	\$ 3,500	\$ -	0.0%
General Equipment	\$ 4,500	\$ 3,007	\$ 4,500	\$ 4,500	\$ -	0.0%
<b>Subtotal of: Function1000 - Direct Instruction</b>	<b>\$ 513,784</b>	<b>\$ 407,496</b>	<b>\$ 520,943</b>	<b>\$ 514,035</b>	<b>\$ (6,908)</b>	<b>-1.3%</b>
Art Salary	\$ 87,513	\$ 70,413	\$ 70,413	\$ 74,701	\$ 4,288	6.1%
Art Health Ins	\$ 26,178	\$ 20,964	\$ 20,964	\$ 16,264	\$ (4,700)	-22.4%
Art Dental	\$ 829	\$ 813	\$ 813	\$ 813	\$ -	0.0%
Art HRA	\$ -	\$ -	\$ -	\$ 4,500	\$ 4,500	0.0%
Art FICA	\$ 6,695	\$ 4,919	\$ 5,387	\$ 5,715	\$ 328	6.1%
Art Workers Comp	\$ 656	\$ 656	\$ 704	\$ 704	\$ -	0.0%
Art Supplies	\$ 4,500	\$ 3,576	\$ 4,500	\$ 4,500	\$ -	0.0%
Art Equipment	\$ 1,400	\$ 1,041	\$ 1,600	\$ 1,500	\$ (100)	-6.3%
Art Dues	\$ 170	\$ -	\$ 85	\$ 85	\$ -	0.0%
<b>Subtotal of: Function1002 - Art</b>	<b>\$ 127,941</b>	<b>\$ 102,381</b>	<b>\$ 104,466</b>	<b>\$ 108,781</b>	<b>\$ 4,315</b>	<b>4.1%</b>
Career Education Salary	\$ 50,195	\$ 52,812	\$ 51,050	\$ -	\$ (51,050)	-100.0%
Career Education FICA	\$ 3,840	\$ 4,040	\$ 3,905	\$ -	\$ (3,905)	-100.0%
Career Education Work Comp	\$ 322	\$ 322	\$ 510	\$ -	\$ (510)	-100.0%
Career Education Supplies	\$ 2,100	\$ 780	\$ 300	\$ -	\$ (300)	-100.0%

FTE

2.00

1.00

0.00

Account Description	FY 17 Budget	FY17 Actual Unaudited	FY18 Budget	FY19 Proposed Budget	\$\$ Variance	% Variance YOY	FTE
Career Education Equipment		\$ -	\$ 650	\$ -	\$ (650)	-100.0%	
<b>Subtotal of: Function1003 - Career Education</b>	<b>\$ 56,457</b>	<b>\$ 57,954</b>	<b>\$ 56,415</b>	<b>\$ -</b>	<b>\$ (56,415)</b>	<b>-100.0%</b>	
English Salary	\$ 288,167	\$ 283,201	\$ 225,313	\$ 207,714	\$ (17,599)	-7.8%	4.00
English Health Ins	\$ 45,890	\$ 39,530	\$ 31,625	\$ 41,115	\$ 9,490	30.0%	
English Dental	\$ 2,464	\$ 1,990	\$ 1,591	\$ 2,509	\$ 918	57.7%	
English HRA	\$ -	\$ -	\$ -	\$ 11,250	\$ 11,250	0.0%	
English FICA	\$ 22,045	\$ 21,327	\$ 17,236	\$ 15,890	\$ (1,346)	-7.8%	
English Workman's Comp	\$ 1,980	\$ 1,980	\$ 2,253	\$ 2,304	\$ 51	2.3%	
English Supplies	\$ 850	\$ 988	\$ 550	\$ 400	\$ (150)	-27.3%	
English Textbooks	\$ 2,457	\$ 2,309	\$ 700	\$ 1,000	\$ 300	42.9%	
English Equipment	\$ 850	\$ 654	\$ 1,200	\$ 300	\$ (900)	-75.0%	
English Dues		\$ 220	\$ 300	\$ 300	\$ -	0.0%	
<b>Subtotal of: Function1005 - English</b>	<b>\$ 364,703</b>	<b>\$ 352,199</b>	<b>\$ 280,768</b>	<b>\$ 282,782</b>	<b>\$ 2,014</b>	<b>0.7%</b>	
Foreign Lang. Salary	\$ 131,545	\$ 133,782	\$ 133,782	\$ 141,928	\$ 8,146	6.1%	2.00
Foreign Lang. Health Ins	\$ 36,563	\$ 36,553	\$ 36,553	\$ 27,290	\$ (9,263)	-25.3%	
Foreign Lang. Dental	\$ 1,666	\$ 1,626	\$ 1,627	\$ 1,627	\$ -	0.0%	
Foreign Lang. HRA	\$ -	\$ -	\$ -	\$ 9,000	\$ 9,000		
Foreign Lang FICA	\$ 10,063	\$ 9,822	\$ 10,234	\$ 10,858	\$ 624	6.1%	
Foreign Lang. Workers' Comp	\$ 882	\$ 882	\$ 1,338	\$ 1,152	\$ (186)	-13.9%	
Foreign Lang Supplies	\$ 2,000	\$ 346	\$ 650	\$ 950	\$ 300	46.2%	
Foreign Lang. Textbooks		\$ 548	\$ 2,260	\$ 2,100	\$ (160)	-7.1%	
Foreign Language Equipment			\$ 1,350	\$ 750	\$ (600)	-44.4%	
Foreign Language Dues		\$ -	\$ 300	\$ 390	\$ 90	30.0%	
<b>Subtotal of: Function1006 - Foreign Language</b>	<b>\$ 182,719</b>	<b>\$ 183,559</b>	<b>\$ 188,094</b>	<b>\$ 196,045</b>	<b>\$ 7,951</b>	<b>4.2%</b>	
Physical & Health Educ. Salary	\$ 147,365	\$ 154,343	\$ 158,194	\$ 166,292	\$ 8,098	5.1%	2.33
PE & Health Ed Health Ins	\$ 35,797	\$ 43,471	\$ 43,471	\$ 32,657	\$ (10,814)	-24.9%	
PE & Health Ed Dental	\$ 2,624	\$ 3,064	\$ 3,064	\$ 3,064	\$ -	0.0%	
PE & Health Ed HRA	\$ -	\$ -	\$ -	\$ 10,485	\$ 10,485	0.0%	
PE & Health Ed FICA	\$ 11,273	\$ 11,067	\$ 12,102	\$ 12,721	\$ 619	5.1%	
PE & Health Ed Workers' Comp.	\$ 1,151	\$ 1,151	\$ 1,582	\$ 1,728	\$ 146	9.2%	
PE & Health Ed Supplies	\$ 4,100	\$ 3,235	\$ 4,000	\$ 2,000	\$ (2,000)	-50.0%	
PE & Health Ed Textbooks	\$ 400	\$ -	\$ 1,200	\$ 700	\$ (500)	-41.7%	
PE & Health Ed Audiovisual	\$ 200	\$ -	\$ 200	\$ 200	\$ -	0.0%	
PE & Health Ed Equipment	\$ 1,000	\$ 2,393	\$ 6,500	\$ 6,500	\$ -	0.0%	
PE & Health ED Equipment Repair			\$ 950	\$ 1,000	\$ 50	5.3%	
Physical & Health Ed. Dues	\$ 400	\$ -	\$ 400	\$ 400	\$ -	0.0%	
<b>Subtotal of: Function1008 - Physical &amp; Health Ed.</b>	<b>\$ 204,310</b>	<b>\$ 218,723</b>	<b>\$ 231,663</b>	<b>\$ 237,747</b>	<b>\$ 6,084</b>	<b>2.6%</b>	
Consumer Science Salary	\$ 33,752	\$ 38,477	\$ 45,997	\$ 45,682	\$ (315)	-0.7%	0.67
Consumer Science Health Ins	\$ 14,050	\$ 14,046	\$ 14,046	\$ 10,897	\$ (3,149)	-22.4%	
Consumer Science Dental	\$ 902	\$ 881	\$ 881	\$ 881	\$ -	0.0%	
Consumer Science HRA	\$ -	\$ -	\$ -	\$ 3,015	\$ 3,015	0.0%	
Consumer Science FICA	\$ 2,582	\$ 2,781	\$ 3,519	\$ 3,495	\$ (24)	-0.7%	
Consumer Science Workers' comp.	\$ 233	\$ 233	\$ 460	\$ 386	\$ (74)	-16.1%	
Consumer Science Equip Repair	\$ 500	\$ -	\$ 500	\$ 500	\$ -	0.0%	
Consumer Science Travel	\$ 750	\$ 424	\$ 750	\$ 750	\$ -	0.0%	
Consumer Science Supplies	\$ 1,825	\$ 958	\$ 2,150	\$ 1,500	\$ (650)	-30.2%	
Consumer Science Text Books	\$ 70	\$ -	\$ 115	\$ -	\$ (115)	-100.0%	
Consumer Science Audio Visual	\$ 75	\$ 399	\$ 400	\$ 500	\$ 100	25.0%	
Consumer Science Equipment	\$ 500	\$ 98	\$ -	\$ 140	\$ 140	0.0%	
<b>Subtotal of: Function1009 - Consumer Science</b>	<b>\$ 55,239</b>	<b>\$ 58,298</b>	<b>\$ 68,818</b>	<b>\$ 67,745</b>	<b>\$ (1,073)</b>	<b>-1.6%</b>	
Wood Working & Tech Ed Salary	\$ 36,029	\$ 51,030	\$ 52,210	\$ 18,502	\$ (33,708)	-64.6%	1.00
Wood Working Health	\$ 2,610	\$ 11,892	\$ -	\$ -	\$ -	0.0%	
Wood Working Dental		\$ 681		\$ -	\$ -		
Wd Work & Tech Ed FICA	\$ 2,756	\$ 3,904	\$ 3,994	\$ 1,415	\$ (2,579)	-64.6%	
Wd Wk & Tch Ed W. Comp.	\$ 301	\$ 301	\$ 522	\$ 576	\$ 54	10.3%	
Wd Wk & Tch Ed Eq.Repair	\$ 2,300	\$ -	\$ 200	\$ 500	\$ 300	150.0%	
Wd Work & Tech Ed Supplies	\$ 2,528	\$ 3,105	\$ 1,600	\$ 1,900	\$ 300	18.8%	
Wd Work & Tech Ed Equip	\$ 2,400	\$ 2,004	\$ 10,040	\$ 2,500	\$ (7,540)	-75.1%	
<b>Subtotal of: Function1010 - Tech Ed &amp; Wood Work</b>	<b>\$ 48,924</b>	<b>\$ 72,916</b>	<b>\$ 68,566</b>	<b>\$ 25,393</b>	<b>\$ (43,173)</b>	<b>-63.0%</b>	
Mathematics Salaries	\$ 252,724	\$ 290,316	\$ 258,763	\$ 255,844	\$ (2,919)	-1.1%	4.00
Math Health Ins	\$ 83,878	\$ 96,644	\$ 83,854	\$ 59,122	\$ (24,732)	-29.5%	
Math Dental	\$ 5,669	\$ 5,927	\$ 5,261	\$ 5,927	\$ 666	12.7%	

Account Description	FY 17 Budget	FY17 Actual Unaudited	FY18 Budget	FY19 Proposed Budget	\$\$ Variance	% Variance YOY	FTE
Math HRA	\$ -	\$ -	\$ -	\$ 18,000	\$ 18,000	0.0%	
Math FICA	\$ 19,333	\$ 20,444	\$ 19,795	\$ 19,572	\$ (223)	-1.1%	
Math Workman's Comp	\$ 2,051	\$ 2,051	\$ 2,588	\$ 2,304	\$ (284)	-11.0%	
Math Equipment Repair	\$ 20	\$ 56	\$ -	\$ -	\$ -	0.0%	
Math Supplies	\$ 2,110	\$ 2,005	\$ 2,050	\$ 1,200	\$ (850)	-41.5%	
Math Textbooks	\$ 2,250	\$ 2,241	\$ 3,000	\$ 4,000	\$ 1,000	33.3%	
Math Equipment	\$ 3,050	\$ 2,930	\$ 1,350	\$ 2,250	\$ 900	66.7%	
Math Dues	\$ 174	\$ -	\$ 300	\$ 100	\$ (200)	-66.7%	
<b>Subtotal of: Function1011 - Math</b>	<b>\$ 371,259</b>	<b>\$ 422,614</b>	<b>\$ 376,961</b>	<b>\$ 368,319</b>	<b>\$ (8,642)</b>	<b>-2.3%</b>	
Music Salary	\$ 98,245	\$ 63,369	\$ 84,844	\$ 76,565	\$ (8,279)	-9.8%	1.00
Music Health Ins	\$ 20,969	\$ 15,589	\$ 15,588	\$ 9,077	\$ (6,511)	-41.8%	
Music Dental	\$ 1,347	\$ 813	\$ 813	\$ 813	\$ -	0.0%	
Music HRA	\$ -	\$ -	\$ -	\$ 4,500	\$ 4,500	0.0%	
Music FICA	\$ 7,516	\$ 4,672	\$ 6,490	\$ 5,857	\$ (633)	-9.8%	
Music Workers' Comp.	\$ 621	\$ 621	\$ 848	\$ 576	\$ (272)	-32.1%	
Music (General) WCSU		\$ 72,161	\$ 83,728	\$ 57,853	\$ (25,875)	-30.9%	
Music Equip Repair	\$ 1,000	\$ 1,114	\$ 2,500	\$ 2,500	\$ -	0.0%	
Music Professional Travel	\$ 800	\$ 94	\$ 1,000	\$ 1,000	\$ -	0.0%	
Music Supplies	\$ 1,000	\$ 810	\$ 1,000	\$ 1,000	\$ -	0.0%	
Music Textbooks	\$ 2,500	\$ 2,208	\$ 2,500	\$ 2,500	\$ -	0.0%	
Music Equipment	\$ 2,300	\$ 1,873	\$ 5,300	\$ 10,250	\$ 4,950	93.4%	
Music Dues	\$ 1,300	\$ 350	\$ 1,400	\$ 1,050	\$ (350)	-25.0%	
<b>Subtotal of: Function1012 - Music</b>	<b>\$ 137,598</b>	<b>\$ 163,673</b>	<b>\$ 206,011</b>	<b>\$ 173,541</b>	<b>\$ (32,470)</b>	<b>-15.8%</b>	
Science Salaries	\$ 308,189	\$ 319,291	\$ 250,330	\$ 242,327	\$ (8,003)	-3.2%	4.00
Science Health Ins	\$ 52,601	\$ 52,587	\$ 42,070	\$ 29,469	\$ (12,601)	-30.0%	
Science Dental	\$ 2,957	\$ 2,907	\$ 2,327	\$ 2,000	\$ (327)	-14.1%	
Science HRA	\$ -	\$ -	\$ -	\$ 18,000	\$ 18,000	0.0%	
Science FICA	\$ 23,576	\$ 23,732	\$ 19,150	\$ 18,538	\$ (612)	-3.2%	
Science Workers' Comp	\$ 2,075	\$ 2,075	\$ 2,503	\$ 2,304	\$ (199)	-8.0%	
Science Contracted Services				\$ 2,500	\$ 2,500		
Science Equip Repair	\$ 1,000	\$ 915	\$ 1,000	\$ 1,000	\$ -	0.0%	
Science Supplies	\$ 2,500	\$ 2,635	\$ 2,400	\$ 2,175	\$ (225)	-9.4%	
Science Textbooks	\$ 485	\$ 149	\$ 350	\$ 350	\$ -	0.0%	
Science Equipment	\$ 2,900	\$ 1,001	\$ 2,200	\$ 3,300	\$ 1,100	50.0%	
Science Dues	\$ 275	\$ 240	\$ 450	\$ 260	\$ (190)	-42.2%	
<b>Subtotal of: Function1013 - Science</b>	<b>\$ 396,558</b>	<b>\$ 405,533</b>	<b>\$ 322,780</b>	<b>\$ 322,223</b>	<b>\$ (557)</b>	<b>-0.2%</b>	
Social Studies Salary	\$ 254,431	\$ 270,908	\$ 260,519	\$ 280,483	\$ 19,964	7.7%	4.00
Social Studies Health Ins	\$ 63,869	\$ 65,422	\$ 65,422	\$ 59,312	\$ (6,110)	-9.3%	
Social Studies Dental	\$ 3,834	\$ 3,841	\$ 3,839	\$ 4,256	\$ 417	10.9%	
Social Studies HRA	\$ -	\$ -	\$ -	\$ 18,000	\$ 18,000	0.0%	
Social Studies FICA	\$ 19,464	\$ 19,780	\$ 19,930	\$ 21,457	\$ 1,527	7.7%	
Soc Studies Works Comp	\$ 2,544	\$ 2,544	\$ 2,605	\$ 2,304	\$ (301)	-11.6%	
Social Studies contracted services	\$ 31,000	\$ 18,082	\$ 31,000	\$ 18,000	\$ (13,000)	-41.9%	
Social Studies Supplies	\$ 50	\$ 186	\$ 400	\$ 650	\$ 250	62.5%	
Social Studies Textbooks	\$ 160	\$ 63	\$ 2,040	\$ 600	\$ (1,440)	-70.6%	
Social Studies Equip		\$ -	\$ 620	\$ 750	\$ 130	21.0%	
Social Studies Dues	\$ 85	\$ 100	\$ 300	\$ -	\$ (300)	-100.0%	
<b>Subtotal of: Function1015 - Social Studies</b>	<b>\$ 375,437</b>	<b>\$ 380,926</b>	<b>\$ 386,675</b>	<b>\$ 405,812</b>	<b>\$ 19,137</b>	<b>4.9%</b>	
Driver Ed Salary	\$ 32,886	\$ 52,989	\$ 51,489	\$ 36,416	\$ (15,073)	-29.3%	0.50
Driver Educ FICA	\$ 2,516	\$ 4,054	\$ 3,939	\$ 2,786	\$ (1,153)	-29.3%	
Driver Ed Workers' Comp.	\$ 179	\$ 179	\$ 515	\$ 576	\$ 61	11.8%	
Driver Ed-Repairs/Maint		\$ 1,591	\$ -	\$ 1,000	\$ 1,000	#DIV/0!	
Drivers Ed Car Lease			\$ 3,000	\$ 3,744	\$ 744	24.8%	
Driver Ed Supplies	\$ 4,569	\$ 2,707	\$ 4,500	\$ 4,500	\$ -	0.0%	
Driver Ed Dues		\$ 62	\$ -	\$ 125	\$ 125	#DIV/0!	
<b>Subtotal of: Function1021 - Driver Ed</b>	<b>\$ 40,150</b>	<b>\$ 61,582</b>	<b>\$ 63,443</b>	<b>\$ 49,147</b>	<b>\$ (14,296)</b>	<b>-22.5%</b>	
Special Ed Svces-WCSU		\$ -	\$ -	\$ -	\$ -	0.0%	
Special Ed District 34 Teacher Assessment	\$ 512,990	\$ 512,991	\$ -	\$ -	\$ -	0.0%	
Special Ed Services Purchased from WCSU	\$1,184,375	\$ 1,027,103	\$ 646,717	\$ 642,696	\$ (4,021)	-0.6%	
<b>Subtotal of: Function1200 - Special Ed - In District</b>	<b>\$1,697,365</b>	<b>\$ 1,540,094</b>	<b>\$ 646,717</b>	<b>\$ 642,696</b>	<b>\$ (4,021)</b>	<b>-0.6%</b>	
Game Official wages	\$ 20,500	\$ 15,607	\$ 18,500	\$ 18,500	\$ -	0.0%	
Co-curr Activities Salary	\$ 163,378	\$ 168,451	\$ 172,332	\$ 174,629	\$ 2,297	1.3%	1.00

Account Description	FY 17 Budget	FY17 Actual Unaudited	FY18 Budget	FY19 Proposed Budget	\$\$ Variance	% Variance YOY	FTE
Co-curr Activities Dental	\$ 1,684	\$ 1,644	\$ 1,644	\$ 1,644	\$ -	0.0%	
Co-curr Activities FICA	\$ 12,498	\$ 13,029	\$ 14,599	\$ 14,774	\$ 175	1.2%	
Co-curr Municipal Ret	\$ 3,202	\$ 3,908	\$ 3,700	\$ 3,811	\$ 111	3.0%	
Co-curr Act Workers' Comp	\$ 1,144	\$ 1,144	\$ 2,025	\$ 2,025	\$ -	0.0%	
Co-curricular Equip Repair	\$ 2,000	\$ 1,047	\$ 1,000	\$ 1,000	\$ -	0.0%	
Co-curricular Transp. Music	\$ 2,100	\$ 647	\$ 2,000	\$ 1,200	\$ (800)	-40.0%	
Co-curr Act Transportation	\$ 44,450	\$ 56,604	\$ 44,450	\$ 44,450	\$ -	0.0%	
Co-curr Act Pro Travel	\$ 1,200	\$ 236	\$ 1,200	\$ 1,000	\$ (200)	-16.7%	
Co-curr ATH Supplies	\$ 23,493	\$ 19,534	\$ 25,100	\$ 25,100	\$ -	0.0%	
Co-curr Theatre Supplies		\$ 5,893	\$ 5,500	\$ 5,500	\$ -	0.0%	
Co-curr Act Equipment	\$ 7,000	\$ 9,185	\$ 7,000	\$ 7,000	\$ -	0.0%	
Co-curr Act Student Body Act	\$ 15,555	\$ 20,412	\$ 21,714	\$ 20,500	\$ (1,214)	-5.6%	
<b>Subtotal of: Function1400 - Co-curricular</b>	<b>\$ 298,204</b>	<b>\$ 317,340</b>	<b>\$ 320,764</b>	<b>\$ 321,133</b>	<b>\$ 369</b>	<b>0.1%</b>	
<b>Subtotal of: Function1000 - Direct Instructional Services</b>	<b>\$4,870,648</b>	<b>\$ 4,745,288</b>	<b>\$ 3,843,084</b>	<b>\$ 3,715,401</b>	<b>\$ (127,683)</b>	<b>-3.3%</b>	
Counseling Salary	\$ 113,812	\$ 98,345	\$ 120,796	\$ 125,976	\$ 5,180	4.3%	2.00
Counseling Admin/Work based Learning Coord	\$ 41,862	\$ 65,570	\$ 43,553	\$ 92,308	\$ 48,755	111.9%	2.00
Counseling Health Ins	\$ 23,024	\$ 29,566	\$ 23,002	\$ 33,161	\$ 10,159	44.2%	
Counseling Dental	\$ 3,204	\$ 3,304	\$ 2,727	\$ 2,128	\$ (599)	-22.0%	
Counseling HRA/HSA	\$ -	\$ -	\$ -	\$ 11,250	\$ 11,250	0.0%	
Counseling FICA	\$ 11,909	\$ 12,227	\$ 12,573	\$ 16,699	\$ 4,126	32.8%	
Counseling-Buildings Municipal Ret	\$ 2,017	\$ 1,708	\$ 2,395	\$ 5,077	\$ 2,682	112.0%	
Counseling Workers' Comp	\$ 1,208	\$ 1,208	\$ 1,643	\$ 1,152	\$ (491)	-29.9%	
Counseling Purchased Service	\$ 500	\$ 1,634	\$ 3,000	\$ 3,815	\$ 815	27.2%	
Counseling Svcs-WCSU	\$ -	\$ -	\$ -	\$ 40,000	\$ 40,000	0.0%	0.40
Counseling Equip Repair	\$ 500	\$ -	\$ 250	\$ 250	\$ -	0.0%	
Counseling Communications	\$ 2,000	\$ 1,000	\$ -	\$ -	\$ -	0.0%	
Counseling Prof Travel	\$ 2,250	\$ 581	\$ 750	\$ 1,500	\$ 750	100.0%	
Counseling Supplies	\$ 3,000	\$ 3,012	\$ 4,200	\$ 5,100	\$ 900	21.4%	
Counseling Textbooks	\$ 200	\$ -	\$ 100	\$ 100	\$ -	0.0%	
Counseling Equipment	\$ 600	\$ 776	\$ 1,350	\$ 1,200	\$ (150)	-11.1%	
Counseling Dues	\$ 400	\$ 295	\$ 400	\$ 525	\$ 125	31.3%	
<b>Subtotal of: Function2100 - Counseling</b>	<b>\$ 206,486</b>	<b>\$ 219,228</b>	<b>\$ 216,739</b>	<b>\$ 340,240</b>	<b>\$ 123,501</b>	<b>57.0%</b>	
Nurse Salary	\$ 53,810	\$ 58,239	\$ 58,089	\$ 61,626	\$ 3,537	6.1%	1.00
Nurse Health	\$ -	\$ -	\$ -	\$ 17,517	\$ 17,517	0.0%	
Nurse Dental	\$ 1,592	\$ 1,315	\$ 1,315	\$ 1,315	\$ -	0.0%	
Nurse HRA	\$ -	\$ -	\$ -	\$ 4,500	\$ 4,500	0.0%	
Nurse Health FICA	\$ 4,116	\$ 4,430	\$ 4,444	\$ 4,714	\$ 270	6.1%	
Nurse Worker's Comp	\$ 465	\$ 465	\$ 581	\$ 576	\$ (5)	-0.9%	
Nurse Prof Services	\$ 1,750	\$ 150	\$ 1,500	\$ 1,500	\$ -	0.0%	
Nurse Equip Repair	\$ 100	\$ 145	\$ 175	\$ 175	\$ -	0.0%	
Nurse Supplies	\$ 1,950	\$ 2,837	\$ 2,200	\$ 2,500	\$ 300	13.6%	
Nurse Audio Visual	\$ 500	\$ 318	\$ 100	\$ 100	\$ -	0.0%	
Health Services		\$ -	\$ 500	\$ 500	\$ -	0.0%	
<b>Subtotal of: Function2100 - Nurse</b>	<b>\$ 64,283</b>	<b>\$ 67,900</b>	<b>\$ 68,904</b>	<b>\$ 95,023</b>	<b>\$ 26,119</b>	<b>37.9%</b>	
Prof. Dev. Admin Directed Salary		\$ -	\$ 120,000	\$ 67,500	\$ (52,500)	-43.8%	1.00
Prof. Dev. Admin Directed Salary		\$ -	\$ 15,000	\$ 20,000	\$ 5,000	33.3%	
Professional Development-Health Benefits		\$ -	\$ 43,014	\$ 12,279	\$ (30,735)	-71.5%	
Professional Development-Dental Ins		\$ -	\$ 2,104	\$ 1,017	\$ (1,087)	-51.7%	
Professional Development-HRA	\$ -	\$ -	\$ -	\$ 4,500	\$ 4,500	0.0%	
Prof. Dev. Admin Directed FICA		\$ 536	\$ 1,148	\$ 6,694	\$ 5,546	483.1%	
Professional Development		\$ -	\$ 1,350	\$ 1,350	\$ -	0.0%	
Prof. Dev. Admin Directed	\$ 13,000	\$ 20,327	\$ 25,000	\$ 45,000	\$ 20,000	80.0%	
Prof. Dev.-Teacher Directed Svcs WCSU	\$ 22,095	\$ 22,495	\$ 20,884	\$ 31,050	\$ 10,166	48.7%	
Prof. Dev. Supplies	\$ 5,000	\$ 141	\$ 5,000	\$ 5,000	\$ -	0.0%	
Prof. Dev. Equipment			\$ 1,500	\$ 1,500	\$ -	0.0%	
<b>Subtotal of: Function2213 - PD and Instructional Staff</b>	<b>\$ 40,095</b>	<b>\$ 43,499</b>	<b>\$ 235,000</b>	<b>\$ 195,890</b>	<b>\$ (39,110)</b>	<b>-16.6%</b>	
Instruct. Tech. Prof. Services		\$ 1,348	\$ -		\$ -	0.0%	
Media Services	\$ 4,000	\$ 3,411	\$ -		\$ -	0.0%	
Technical Svcs WCSU	\$ 111,916	\$ 111,916	\$ 127,916	\$ 163,403	\$ 35,487	27.7%	
Instruc. Tech. Equip Repair		\$ -	\$ 5,000	\$ 5,000	\$ -	0.0%	
Instruc. Tech. Supplies	\$ 3,000	\$ 2,447	\$ 5,000	\$ 5,000	\$ -	0.0%	
Instruc. Tech Equipment	\$ 34,600	\$ 33,371	\$ 35,000	\$ 35,000	\$ -	0.0%	
<b>Subtotal of: Function2200 - Technology</b>	<b>\$ 153,516</b>	<b>\$ 152,494</b>	<b>\$ 172,916</b>	<b>\$ 208,403</b>	<b>\$ 35,487</b>	<b>20.5%</b>	



Account Description	FY 17 Budget	FY17 Actual Unaudited	FY18 Budget	FY19 Proposed Budget	\$\$ Variance	% Variance YOY	FTE
Library Salary	\$ 65,772	\$ 66,891	\$ 66,891	\$ 70,964	\$ 4,073	6.1%	1.00
Library Health Ins	\$ 15,594	\$ 15,589	\$ 15,589	\$ 11,026	\$ (4,563)	-29.3%	
Library Dental	\$ 833	\$ 813	\$ 813	\$ 813	\$ -	0.0%	
Library HRA	\$ -	\$ -	\$ -	\$ 4,500	\$ 4,500		
Library FICA	\$ 5,032	\$ 4,786	\$ 5,117	\$ 5,429	\$ 312	6.1%	
Library Workers' Comp	\$ 429	\$ 429	\$ 669	\$ 576	\$ (93)	-13.9%	
Library Equip Repair	\$ 3,471	\$ 4,414	\$ -	\$ -	\$ -	0.0%	
Library Supplies	\$ 1,529	\$ 445	\$ 1,350	\$ 1,350	\$ -	0.0%	
Library Books	\$ 4,000	\$ 6,753	\$ 6,312	\$ 6,300	\$ (12)	-0.2%	
Library Periodicals	\$ 1,000	\$ 170	\$ 900	\$ 900	\$ -	0.0%	
<b>Subtotal of: Function2200 - Library</b>	<b>\$ 97,660</b>	<b>\$ 100,290</b>	<b>\$ 97,641</b>	<b>\$ 101,858</b>	<b>\$ 4,217</b>	<b>4.3%</b>	
School Board Salaries	\$ 4,500	\$ 3,700	\$ 4,500	\$ 4,500	\$ -	0.0%	3.00
School Board FICA	\$ 344	\$ 283	\$ 344	\$ 344	\$ 0	0.1%	
Public Sch. Aprov		\$ 194	\$ -		\$ -	#DIV/0!	
Legal Svc Professional Fees	\$ 3,000	\$ 21,132	\$ 5,500	\$ 5,500	\$ -	0.0%	
Audit Svc Professional Fee	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ -	0.0%	
School Board Fidelity Bond, E&O	\$ 3,925	\$ 3,925	\$ -	\$ 4,000	\$ 4,000	#DIV/0!	
School Board Advertising	\$ 3,000	\$ 890	\$ 1,000	\$ 1,000	\$ -	0.0%	
Election Service Printing	\$ 4,000	\$ 3,046	\$ 4,000	\$ 3,000	\$ (1,000)	-25.0%	
School Board Travel	\$ 1,000	\$ -	\$ 1,000	\$ 1,000	\$ -	0.0%	
School Board Property Tax Exp		\$ 634	\$ -	\$ 634	\$ 634	#DIV/0!	
School Board Dues	\$ 1,400	\$ 2,467	\$ 2,500	\$ 2,500	\$ -	0.0%	
Windham Central SU Assessment	\$ 289,455	\$ 337,203	\$ 345,645	\$ 334,683	\$ (10,962)	-3.2%	
<b>Subtotal of: Function2300 - School Board</b>	<b>\$ 319,624</b>	<b>\$ 382,474</b>	<b>\$ 373,489</b>	<b>\$ 366,161</b>	<b>\$ (7,328)</b>	<b>-2.0%</b>	
Principal's Office Salaries	\$ 251,542	\$ 261,014	\$ 263,389	\$ 199,032	\$ (64,357)	-24.4%	3.00
Principal Health Ins	\$ 64,428	\$ 57,496	\$ 57,497	\$ 38,399	\$ (19,098)	-33.2%	
Principal Dental	\$ 3,847	\$ 4,109	\$ 4,133	\$ 3,945	\$ (188)	-4.5%	
Principal HRA/HSA	\$ -	\$ -	\$ -	\$ 11,250	\$ 11,250	0.0%	
Principal's FICA	\$ 19,243	\$ 18,772	\$ 20,149	\$ 15,226	\$ (4,923)	-24.4%	
Principal's Municipal Ret	\$ 3,154	\$ 9,196	\$ 8,825	\$ 6,347	\$ (2,478)	-28.1%	
Principal's Workers' Comp	\$ 1,623	\$ 479	\$ 2,634	\$ 2,304	\$ (330)	-12.5%	
Principal's Prof. Dev.	\$ 6,000	\$ 2,062	\$ 6,000	\$ 6,000	\$ -	0.0%	
Principal's Communications	\$ 3,000	\$ 1,039	\$ 1,000	\$ 1,000	\$ -	0.0%	
Expense - Principal's Travel	\$ 4,200	\$ 1,536	\$ 4,000	\$ 4,000	\$ -	0.0%	
Principal's Office Supplies	\$ 600	\$ 229	\$ 600	\$ 600	\$ -	0.0%	
Principals' Prof. Books	\$ 500	\$ 140	\$ 500	\$ 500	\$ -	0.0%	
Principal Office Equipment	\$ 500	\$ -	\$ 500	\$ 500	\$ -	0.0%	
Principal's Dues	\$ 3,000	\$ 2,779	\$ 3,100	\$ 3,000	\$ (100)	-3.2%	
<b>Subtotal of: Function2400 - School Adm</b>	<b>\$ 361,637</b>	<b>\$ 358,852</b>	<b>\$ 372,327</b>	<b>\$ 292,103</b>	<b>\$ (80,224)</b>	<b>-21.5%</b>	5.00
Business Off Worker's Comp	\$ 350	\$ 350	\$ -	\$ -	\$ -	0.0%	
Business Off Equip Repair	\$ 1,500	\$ 1,475	\$ -	\$ -	\$ -	0.0%	
Business Off Telephone	\$ 8,000	\$ 5,688	\$ -	\$ -	\$ -	0.0%	
Business Off Communications	\$ 3,000	\$ 1,500	\$ -	\$ -	\$ -	0.0%	
Business Office Supplies	\$ 3,000	\$ 2,595	\$ -	\$ -	\$ -	0.0%	
Business Office Int (short Term)	\$ 7,000	\$ 14,711	\$ 7,000	\$ 11,500	\$ 4,500	64.3%	
Business office	\$ 55,927	\$ -	\$ -	\$ -	\$ -	0.0%	
<b>Subtotal of: Function2500 - Business</b>	<b>\$ 78,777</b>	<b>\$ 26,318</b>	<b>\$ 7,000</b>	<b>\$ 11,500</b>	<b>\$ 4,500</b>	<b>64.3%</b>	
Buildings Salaries	\$ 187,422	\$ 191,302	\$ 194,196	\$ 200,507	\$ 6,311	3.3%	5.00
Buildings Health Ins	\$ 63,918	\$ 64,900	\$ 68,000	\$ 50,058	\$ (17,942)	-26.4%	
Buildings Dental	\$ -	\$ 3,167	\$ 3,145	\$ 3,145	\$ -	0.0%	
Buildings HRA/HSA	\$ -	\$ -	\$ -	\$ 18,000	\$ 18,000	0.0%	
Buildings FICA	\$ 14,338	\$ 14,297	\$ 14,856	\$ 15,339	\$ 483	3.2%	
Buildings Municipal Ret	\$ 8,100	\$ 8,340	\$ 10,681	\$ 11,028	\$ 347	3.2%	
Buildings Workers' Comp	\$ 8,758	\$ 3,753	\$ 8,758	\$ 2,880	\$ (5,878)	-67.1%	
Facility Support Svcs WCSU (Asbestos)	\$ 1,850	\$ 1,851	\$ 938	\$ 938	\$ -	0.0%	
Security Services	\$ 200	\$ 565	\$ -		\$ -	0.0%	
Building Refuse Removal	\$ 11,000	\$ 10,605	\$ 11,500	\$ 11,500	\$ -	0.0%	
Grounds Ser Snow Removal	\$ 2,000	\$ 2,575	\$ -		\$ -	0.0%	
Building Equipment Repair	\$ 18,500	\$ 33,755	\$ 18,500	\$ 18,500	\$ -	0.0%	
Grounds Ser Equip Repair	\$ 1,200	\$ 512	\$ 1,200	\$ 1,200	\$ -	0.0%	
Equipment Ser Equip Repair	\$ 3,500	\$ 4,234	\$ 4,300	\$ 4,300	\$ -	0.0%	
Building Improvements	\$ 33,850	\$ 31,928	\$ 35,000	\$ 52,500	\$ 17,500	50.0%	
Building Insurance	\$ 15,206	\$ 19,860	\$ 18,000	\$ 20,000	\$ 2,000	11.1%	

Account Description	FY 17 Budget	FY17 Actual Unaudited	FY18 Budget	FY19 Proposed Budget	\$ \$ Variance	% Variance YOY	FTE
Building Supplies	\$ 24,500	\$ 19,974	\$ 24,500	\$ 24,500	\$ -	0.0%	
Grounds Service Supplies	\$ 1,000	\$ 1,432	\$ 1,500	\$ 1,500	\$ -	0.0%	
Equipment Service Supplies	\$ 500	\$ 647	\$ 500	\$ 500	\$ -	0.0%	
Building Security Supplies	\$ 9,095	\$ 9,095	\$ 9,770	\$ 9,000	\$ (770)	-7.9%	
Building Energy Manage Syst	\$ 3,250	\$ 1,950	\$ 3,250	\$ 3,250	\$ -	0.0%	
Building Electricity Lights	\$ 75,000	\$ 74,740	\$ 80,000	\$ 77,500	\$ (2,500)	-3.1%	
Building Heat	\$ 31,100	\$ 21,457	\$ 31,100	\$ 31,100	\$ -	0.0%	
Building Gas	\$ 2,000	\$ 1,706	\$ 2,000	\$ 2,000	\$ -	0.0%	
Building Security Lights	\$ 2,900	\$ 2,900	\$ 2,500	\$ 2,500	\$ -	0.0%	
Grounds Ser Improvements	\$ 2,500	\$ 5,081	\$ 2,500	\$ 2,500	\$ -	0.0%	
Building Equipment Parts	\$ 1,200	\$ 1,531	\$ 1,200	\$ 1,500	\$ 300	25.0%	
Building Equipment	\$ 3,500	\$ 2,571	\$ 3,500	\$ 6,000	\$ 2,500	71.4%	
<b>Subtotal of: Function2600 - Operation &amp; Maintenance of Plant Serv</b>	<b>\$ 526,387</b>	<b>\$ 534,726</b>	<b>\$ 551,394</b>	<b>\$ 571,745</b>	<b>\$ 20,351</b>	<b>3.7%</b>	
Transport to School Svcs- WCSU	\$ 159,211	\$ 160,007	\$ 153,316	\$ 157,915	\$ 4,599	3.0%	
Pupil Trans Field Trips	\$ 4,000	\$ 3,121	\$ 5,830	\$ 5,000	\$ (830)	-14.2%	
<b>Subtotal of: Function2700 - Student Transportation Services</b>	<b>\$ 163,211</b>	<b>\$ 163,128</b>	<b>\$ 159,146</b>	<b>\$ 162,915</b>	<b>\$ 3,769</b>	<b>2.4%</b>	
<b>Subtotal of: Function2000 - Support Services</b>	<b>\$2,011,676</b>	<b>\$ 2,048,908</b>	<b>\$ 2,254,556</b>	<b>\$ 2,345,838</b>	<b>\$ 91,282</b>	<b>4.0%</b>	
Food Service Svcs WCSU	\$ 8,347	\$ 8,348	\$ 8,547	\$ 11,325	\$ 2,778	32.5%	
<b>Subtotal of: Function3100 - Food Service</b>	<b>\$ 8,347</b>	<b>\$ 8,348</b>	<b>\$ 8,547</b>	<b>\$ 11,325</b>	<b>\$ 2,778</b>	<b>32.5%</b>	
<b>Subtotal of: Function3000 - Non Instructional Services</b>	<b>\$ 8,347</b>	<b>\$ 8,348</b>	<b>\$ 8,547</b>	<b>\$ 11,325</b>	<b>\$ 2,778</b>	<b>32.5%</b>	
Debt Interest 1996-2016	\$ 2,819	\$ (689)	\$ -		\$ -		
Debt Interest 2009-2028	\$ 71,728	\$ 69,092	\$ 65,970	\$ 61,218	\$ (4,752)	-7.2%	
Debt Principal 96-2016	\$ 20,000	\$ 20,000	\$ -		\$ -	0.0%	
Debt Principal 09-2028	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ -	0.0%	
<b>Subtotal of: Function5100 - Debt Service</b>	<b>\$ 229,547</b>	<b>\$ 223,403</b>	<b>\$ 200,970</b>	<b>\$ 196,218</b>	<b>\$ (4,752)</b>	<b>-2.4%</b>	
<b>Subtotal of: Function5000 - Other Uses of Funds</b>	<b>\$ 229,547</b>	<b>\$ 223,403</b>	<b>\$ 200,970</b>	<b>\$ 196,218</b>	<b>\$ (4,752)</b>	<b>-2.4%</b>	
Total of Account Type: Expenditure	\$7,120,218	\$ 7,025,947	\$ 6,307,157	\$ 6,268,782	\$ (38,375)	-0.6%	42.90

Total Expenses	\$ 6,268,782	\$ (38,375)	-0.6%
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Surplus/Deficit	\$ -
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District: <b>Leland &amp; Gray UHSD</b>		<b>U034</b>		Property dollar equivalent yield	Homestead tax rate per \$9,842 of spending per equalized pupil	
County: <b>Windham</b>		<b>Windham Central</b>		<b>9,842</b>	<b>1.00</b>	
				<b>11,862</b>	Income dollar equivalent yield per 2.0% of household income	
<b>Expenditures</b>		<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	
1.	<b>Adopted or warned union district budget</b> (including special programs and full technical center expenditures)	\$7,037,337	\$7,120,218	\$6,307,157	\$6,268,782	
2.	plus Sum of separately warned articles passed at union district meeting	-	-	-	-	
3.	<b>Adopted or warned union district budget plus articles</b>	<b>\$7,037,337</b>	<b>\$7,120,218</b>	<b>\$6,307,157</b>	<b>\$6,268,782</b>	
4.	plus Obligation to a Regional Technical Center School District if any	-	-	-	-	
5.	plus Prior year deficit repayment of deficit	-	-	-	-	
6.	<b>Total Union Budget</b>	<b>\$7,037,337</b>	<b>\$7,120,218</b>	<b>\$6,307,157</b>	<b>\$6,268,782</b>	
7.	S.U. assessment (included in union budget) - informational data	-	-	-	-	
8.	Prior year deficit reduction (if included in union expenditure budget) - informational data	-	-	-	-	
<b>Revenues</b>						
9.	Union revenues (categorical grants, donations, tuitions, surplus, federal, etc.)	\$1,958,419	\$2,183,162	\$1,129,214	\$1,103,303	
10.	<b>Total offsetting union revenues</b>	<b>\$1,958,419</b>	<b>\$2,183,162</b>	<b>\$1,129,214</b>	<b>\$1,103,303</b>	
11.	<b>Education Spending</b>	<b>\$5,078,918</b>	<b>\$4,937,056</b>	<b>\$5,177,943</b>	<b>\$5,165,479</b>	
12.	Leland & Gray UHSD equalized pupils	309.37	296.59	277.43	267.41	
13.	<b>Education Spending per Equalized Pupil</b>	<b>\$16,416.97</b>	<b>\$16,646.06</b>	<b>\$18,663.96</b>	<b>\$19,316.70</b>	
14.	minus Less net eligible construction costs (or P&I) per equalized pupil	\$752.97	\$773.95	\$724.40	\$724	
15.	minus Less share of SpEd costs in excess of \$50,000 for an individual (per equpup)	\$14.75	\$22.97	\$12.86	\$13.26	
16.	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)	-	-	-	-	
17.	minus Less SpEd costs if excess is solely attributable to new SpEd spending if district has 20 or fewer equalized pupils (per equpup)	-	-	-	-	
18.	minus Estimated costs of new students after census period (per equpup)	-	-	-	-	
19.	minus Total tuitions if tuitioning ALL K-12 unless electorate has approved tuitions greater than average announced tuition (per equpup)	-	-	-	-	
20.	minus Less planning costs for merger of small schools (per equpup)	-	-	-	-	
21.	minus Teacher retirement assessment for new members of Vermont State Teachers' Retirement System on or after July 1, 2015 (per equpup)	-	-	-	-	
22.	Excess spending threshold	threshold = \$17,103 \$17,103.00	Allowable growth \$16,611.02	threshold = \$17,386 \$17,386.00	threshold = \$17,816 \$17,816.00	
23.	plus Excess Spending per Equalized Pupil over threshold (if any)	-	-	\$541	\$763.44	
24.	Per pupil figure used for calculating District Equalized Tax Rate	\$16,417	\$16,646	\$19,205	\$20,080.14	
25.	Union spending adjustment (minimum of 100%)	173.559% based on \$9,285	171.591% based on \$9,701	189.022% based on yield \$10,160	204.025% based on yield \$10,076	
26.	Anticipated equalized union homestead tax rate to be prorated [\$20,080.14 ÷ (\$9,842.00 / \$1,000)]	\$1.7182 based on \$0.98	\$1.7159 based on \$1.00	\$1.8902 based on \$1.00	\$2.0402 based on \$1.00	
<b>Prorated homestead union tax rates for members of Leland &amp; Gray UHSD</b>		<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	
T033	Brookline	0.6859	0.6822	0.8241	1.0072	49.37%
T104	Jamaica	0.8460	0.9065	0.9245	0.9446	46.30%
T137	Newfane	0.9618	0.9535	1.0041	1.0130	49.65%
T208	Townshend	0.9218	0.9110	0.9999	1.0619	52.05%
T246	Windham	0.8536	0.7073	0.7007	0.7614	37.32%
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
27.	Anticipated income cap percent to be prorated from Leland & Gray UHSD [((\$20,080.14 ÷ \$11,862) x 2.00%)]	3.12% based on 1.60%	3.06% based on 2.00%	3.20% based on 2.00%	3.39% based on 2.00%	
<b>Prorated union income cap percentage for members of Leland &amp; Gray UHSD</b>		<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	
T033	Brookline	1.25%	1.22%	1.40%	1.67%	49.37%
T104	Jamaica	1.54%	1.62%	1.57%	1.57%	46.30%
T137	Newfane	1.75%	1.70%	1.70%	1.68%	49.65%
T208	Townshend	1.67%	1.62%	1.69%	1.76%	52.05%
T246	Windham	1.55%	1.26%	1.19%	1.27%	37.32%
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-

- Following current statute, the Tax Commissioner recommended a property yield of \$9,842 for every \$1.00 of homestead tax per \$100 of equalized property value. The Tax Commissioner also recommended an income yield of \$11,862 for a base income percent of 2.0% and a non-residential tax rate of \$1.629. New and updated data will likely change the proposed property and income yields and perhaps the non-residential rate.

- 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%.

## Personnel Overview 2017-2018

Employee	Position/Function	FTE
<b>Administration</b>		
Robert Thibault	Principal	1.0
Melanie Zwolinski	Director of Student Services	0.75
<b>Total Administration</b>		<b>1.75</b>
<b>Classroom Teaching Faculty</b>		
Stephanie Nyzio	Art	1.0
Karren Meyer	Driver Education	0.75
Amanda DeBisschop	English	1.0
Rachel Doty	English	1.0
Ashley Matson	English	1.0
Jessa Rowan	English	1.0
Sue Jones	Family/Consumer Science & Health	1.0
Tong Chen	Foreign Language (Chinese)	1.0
Jeryl Julian-Cissé	Foreign Language (Spanish)	1.0
Tammy Claussen	Physical Education	1.0
Patricia Hinds	Physical Education & Health	1.0
Chris Barton	Mathematics	1.0
Elizabeth Brown	Mathematics	1.0
Angela Givens	Mathematics	1.0
Paul Weber	Mathematics	1.0
Rene Bernard	Music	1.0
James Pecsok	Music	0.90
Mary Davis	Science	1.0
Rosemary Scavotto	Science	1.0
Mandy Vellia	Science	1.0
Bruce Whitman	Science	1.0





## Personnel Overview 2017-2018 Continued

Isaiah Pinilla	Social Studies	1.0
Jessica Riemenschneider	Social Studies	1.0
Jason Sperling	Social Studies	1.0
Joseph Towle	Social Studies	1.0
Kevin Burke	Technology Education	0.67
Dan Dewalt	Woodworking	0.33
<b>Total Classroom Teaching Faculty</b>		<b>25.62</b>
<b>Student Support Services Faculty</b>		
Phoebe Connolly	Dean of Students	1.0
Sarah Grasso	Counseling	1.0
Melanie Zwolinski	Counseling	0.25
Barbara Marchant	Library Media Specialist	1.0
Sara Dunbar	Nurse	1.0
Susan Gunther-Mohr	School Social Worker	0.6
Pam Bernardo	Instructional Coach	1.0
Johanna Liskowsky-Doak	Instructional Coach	1.0
Theresa Davison Berger	Multiple Pathways Coordina-	1.0
<b>Total Student Support Services Faculty</b>		<b>6.9</b>
<b>Administrative Support &amp; Custodial Services</b>		
Marty Testo	Athletic & Activities Director	1.0
Patty Brissette	Building Secretary	1.0
Susan Haskins	Principal Admin. Assistant	1.0
Mary Martin	Registrar	1.0
Edward McGrath	Maintenance Supervisor	1.0
Sharon Budzik	Custodial	1.0
Jeffrey Evanuk	Custodial	1.0
Suzanne Rogers	Custodial	1.0
David McIntyre	Custodial	1.0
<b>Total Administrative Support &amp; Custodial Services</b>		<b>9.0</b>
<b>Total All Employees</b>		<b>44.22</b>



## Supervisory Union Staff

Employee	Position/Function
<b>Administrative and Special Personnel</b>	
William Anton	Superintendent
Laurie Garland	Business Manager
Jen McKusick	Director of Curriculum & Instruction
Stephanie Betit-Hancock	Director of Special Education
Claire Johns	Human Resource Coordinator
Kevin Burke	Technology Director
Margaret Wright	Admin. Assistant to Superintendent
Alison Hescock	Admin. Assistant to Special Ed. Director
Lori Langevin	Admin. Manager/HR Assistant
Teri Fletcher	Accounts Payable/Receivable Officer-Asst. Treasurer
Deb Mears	Medicaid/NSLP Coordinator
Debbie Wood	Senior Payroll Officer
Donna Albin	Accounting Associate
Sarah Kiefer	School Psychologist
Holly Nardone	Speech/Lang. Pathologist
Sarah Shine	Speech/Lang. Pathologist
Geof Stent	Physical Therapist
Melissa Bartlett	Occupational Therapist
Thara Fuller	Dir. of Expanded Learning Programs (21 CCLC)
Carolyn Dix	Essential Early Education Coordinator
<b>WCSU Special Educational Teachers</b>	
William Gallagher	Special Educational Teacher
Michelle Monks-Manton	Special Educational Teacher
Patricia Pelton	Special Educational Teacher
Bruce Rosow	Special Educational Teacher
Eleanor Kearney	Support Services Manager for Special Education



### **“Highlights from 2016-17 School Year”**

40% of the students in the class of 2017 were accepted to the following colleges:

Arcadia University	La Salle University	Springfield College
Assumption College	Lasell College	Temple University
Becker College	Lesley University	The American University in London
Bryant University	Lycoming College	Unity College
Castleton State College	Lyndon State College	University of Connecticut
Champlain College	Mass College of Liberal Arts	University of Hartford
Clark University	Merrimack College	University of Maine Farmington
Colby-Sawyer College	Montserrat College of Art	University of New Hampshire
Columbus College of Art and Design	Mount Ida College	University of New Haven
Community College of Vermont	New England Technical Institute	University of New Mexico
Curry College	New England University	University of Southern Maine
Elon University	Paul Smith College	University of Vermont
Endicott College	Pennsylvania College of Technology	University of Waterloo
Franklin Pierce University	Plymouth State University	Vermont Tech
Ithaca College	Providence College	Wheelock College
Johnson & Wales University	Richmond Community College	William and Mary College
Johnson State College	Ryerson University	
Keene State College	School of Art Institute of Chicago	

### **Highlights from Faculty/Staff:**

The 2016-17 co-curricular year was as eventful as ever with numerous team and individual successes. It was the first year of implementation of the Community Service graduation requirement and we had 9th and 10th graders earned over 1000 hours towards their diplomas.

The fall brought the usual Players’ high quality drama performance, as they put on the musical, *Spamalot*. Director **Ann Landenberger** was awarded the Vermont winner of the National Federation of High Schools (NFHS) “Heart of the Arts” Award, for her 20+ years of contributions to the performing arts at L&G. The girls’ varsity soccer team reached the tournament semi-finals - the first of three girls teams to do so during the year! **Emma Bourne** and **Caroline Tietz** were 1st team all-Marble Valley League (MVL) and **Ashley Bates** and **Rachel Borgesen** were also named, as well as receiving All-State recognition. On the boys’ side, **Patrick McDonald** was 1st Team All-MVL and All-State and **Bryce Karg** was 2nd Team MVL. Girls’ Varsity Coach **Lucas Bates** won the MVL Coach of the Year!

In middle school news, the boys’ team won the CVJHL championship! In the music department, **Fairen Stark** qualified and performed in the District Band Festival.

Soccer season was also another opportunity to remember **Ann Chapman**, by raising funds for a scholarship in her name, through donations at games.



The winter season was another great one. Our Players performed in the one-act performance, known affectionately as *Hats Off*. Our girls' basketball team had a spectacular season, reaching the semi-finals at the Barre Auditorium, for the first time in 26 years as well as winning the MVL for the third straight season! Both **Rachel Borgesen** and **Hannah Buffam** were 1st Team All-MVL, with Hannah further recognized as one of the top underclassmen in the Dream Dozen. Rachel went on to play in the Senior North vs. South game in Windsor. **Maris Linder** and **Jessie Stockwell** were honored as 2nd Team All-MVL. On the boys' side, **Caleb Thibault** was 2nd Team All-MVL and a participant in the Senior North vs. South game. On the middle school front, the boys' team won the CVJHL championship, repeating their effort from soccer season. In the music department, **Emma Urbaska**, **Trevor Wood**, **Sarah Andersen**, **Gabriel Vanni-Phillips**, **Veronica Stevens** and **Caroline Mehner** were all named to the District Choir Festival. The giving of the L&G community continued as over \$2500 was raised for the **Lexi Gialella** "Hoops for Hope" Scholarship during basketball games.

Spring is always a wonderful season at L&G, as we emerge from a long, cold winter to go outside again! The spring production of the L&G Players was *Dracula*. It featured an original score created by senior **Trevor Wood** and a creative set-up not yet seen at Dutton. Baseball saw 1st Team MVL awards for **Bryce Karg** and **Luc DuGrenier** and a 2nd Team MVL award for **Patrick McDonald**. The softball team had a fantastic season - reaching the state finals for the third time in five years. **Rachel Borgesen**, **Olivia Brown**, **Jessica Madore** and **Jessalyn Stockwell** were all 1st Team All-MVL selections, with Jessie playing in the North/South selection. Spring was another opportunity for community support, and with the passing of longtime superfan **Art Monette**, a scholarship was created in his honor, and "Art Monette Day" was born! At the conclusion of the school year, science teacher **Bruce Whitman** was honored by the Vermont Special Educators Association with the Golden Apple Award for his efforts with our special education students. And finally, graduation was held on June 10th and the class of 2017 graduated, with speeches by Valedictorian (and Class President) **Caleb Thibault** and Salutatorian **Emma Urbaska**.



## REQUIRED COMMUNICATION

December 20, 2017

To the Board of School Directors of  
Leland and Gray Union High School District (No. 34)  
Townshend, Vermont Dear Board Members:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Leland and Gray Union High School District (No. 34) (District) for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, 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. 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 the District are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2017. We noted no transactions entered into by the District 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.

#### *Significant Accounting Estimates*

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.

Significant estimates utilized by the District in 2017 include the useful lives of capital assets, compensated absences balances, and the actuarially determined net pension liability.

We evaluated the key factors used to develop the estimates in determining that they are reasonable to the financial statements taken as a whole.

#### *Financial Statement Disclosures*

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements relate to long-term debt and the net pension liability.

The financial statement disclosures are neutral, consistent, and clear.

#### *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 clearly 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, a disagreement with management is 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 dated as of the date of this 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 District'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 District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We applied certain limited procedures to the management's discussion and analysis, budgetary comparison information, and the schedule of proportionate share of net pension liability (asset), the schedule of contributions – pension plans which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of the Board of School Directors and management of Leland and Gray Union High School District (No. 34) and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

BONADIO & CO., LLP



**LELAND AND GRAY UNION HIGH SCHOOL  
DISTRICT (NO. 34)**

**Financial Statements and  
Required Report as of  
And for the year ended  
June 30, 2017  
Together with  
Independent Auditor's Report**

**Bonadio & Co., LLP**  
Certified Public Accountants

# LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)

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## **INDEPENDENT AUDITOR'S REPORT**

December 20, 2017

To the Board of Directors of  
Leland and Gray Union High School District (No. 34):

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Leland and Gray Union High School District (No. 34) (School District) as of and for the year ended June 30, 2017, 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.

(Continued)

## **INDEPENDENT AUDITOR'S REPORT**

(Continued)

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Leland and Gray Union High School District (No. 34) as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Report on Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of contributions and proportionate share of the net pension liability, as presented in the table of contents, 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.

### **Report on Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collective comprise the School District's basic financial statements. The schedule of cash receipts and cash disbursements – agency funds, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of cash receipts and cash disbursements – agency funds has not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2017 on our consideration of the School District'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 the School District's internal control over financial reporting and compliance.

VT License #092.0048099

## **LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)**

### **MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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This section of the Leland and Gray Union High School District (No. 34) (School District) annual financial report presents its discussion and analysis of financial performance for the fiscal year ended June 30, 2017. Please read it in conjunction with the financial statements, which immediately follow this section.

#### **FINANCIAL HIGHLIGHTS**

- The School District ended June 30, 2017 with \$30,934 net unfavorable budget variance.
- General State Support Grant comprises 69% of total revenue.
- Instruction and Special Education comprises 62% of total expenses.
- Administration and building maintenance costs make up 33% of total expenses.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two types of statements that present different views of the School District:

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the School District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the School District, reporting the operation in more detail than the entity-wide statements.
- The governmental fund statements tell how basic services, such as instruction and support functions, were financed in the short-term, as well as what remains for future spending.
- Fiduciary funds statements provide information about the financial relationships in which the School District acts solely as a trustee or agent for the benefit of others, including the employees of the School District.

The financial statements also include notes that provide additional information about the financial statements and the balances reported. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the School District's budget for the year. Table A-1 shows how the various parts of this annual report are arranged and related to one another.

## OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

**Table A-1** Organization of the School District's Annual Financial Report

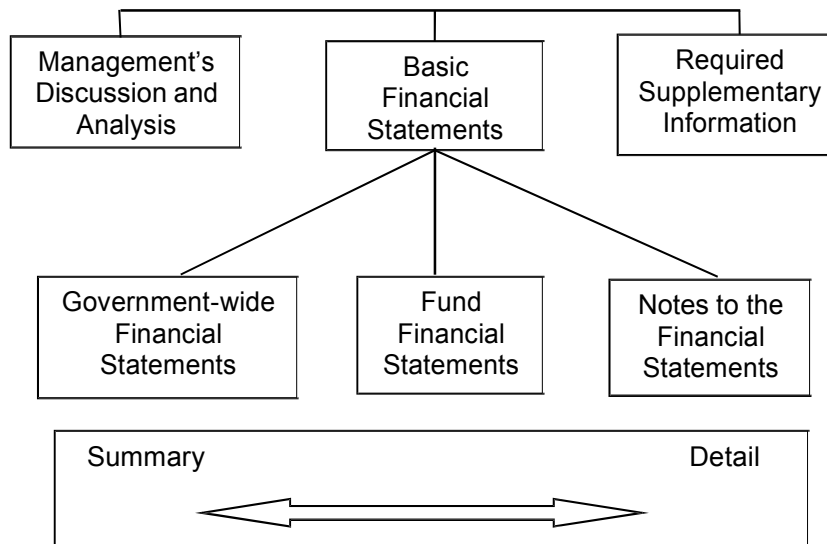


Table A-2 summarizes the major features of the School District's financial statements, including the portion of the School District's activities that they cover and the types of information that they contain. The remainder of this overview section highlights the structure and contents of each statement.

**Table A-2** Major Features of the School District-wide and Fund Financial Statements

		Fund Financial Statements	
	District-Wide	Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The day-to-day operating activities of the School District, such as instruction and special education.	Instances in which the School District administers resources on behalf of someone else, such as scholarship programs and student activities monies.
Required financial statements	<ul style="list-style-type: none"> <li>Statement of net position</li> <li>Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>Balance sheet</li> <li>Statement of revenue, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>Statement of fiduciary net position</li> <li>Statement of changes in fiduciary net position</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/deferred inflows/outflows of resources/liability information	All assets, deferred inflows/outflows of resources and liabilities, both financial and capital, short-term and long-term.	Assets, deferred inflows/outflows of deferred resources, and liabilities that come due during the year or soon after; no capital assets or long-term liabilities included.	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can.
Type of inflow/outflow information	All revenue and expenses during the year, regardless of when cash is received or paid.	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All additions and deductions during the year, regardless of when cash is received or paid.



## OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

### District-wide Statements

The government-wide statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the School District's assets/deferred outflows of resources and liabilities/deferred inflows of resources. All of the current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two District-wide statements report the School District's *net position* and how they have changed. Net position – the difference between the School District's assets/deferred outflows of resources and liabilities/deferred inflows of resources – are one way to measure the School District's financial health or position.

- Over time, increases or decreases in the School District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- For assessment of the overall health of the School District, additional nonfinancial factors, such as changes in the property tax bases and the condition of buildings and other facilities, should be considered.

Net position of the governmental activities differ from the governmental fund balance because governmental fund level statements only report transactions using or providing current financial resources. Also, capital assets are reported as expenditures when financial resources, (dollars), are expended to purchase or build such assets. Likewise, the financial resources that may have been borrowed are considered revenue when they are received. Principal and interest payments are considered expenditures when paid. Depreciation is not calculated. Capital assets and long-term debt are accounted for in account groups and do not affect the fund balances.

District-wide statements use an economic resources measurement focus and full accrual basis of accounting that involves the following steps to prepare the statement of net position:

- Capitalize current outlays for capital assets.
- Report long-term debt as a liability.
- Depreciate capital assets and allocate the depreciation to the proper function.
- Calculate revenue and expenditures using the economic resources measurement focus and the full accrual basis of accounting.
- Allocate net position balances as follows:
  - Net investment in capital assets.
  - Restricted net position are those with constraints placed on use by external sources or imposed by law.
  - Unrestricted net position are those that do not meet any of the above restrictions.

### Fund Financial Statements

The fund financial statements provide more detailed information about the School District's funds – not the School District as a whole. Funds are accounting devices the School District uses to keep track of specific sources of funding and spending on particular programs.

## OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

### Fund Financial Statements (Continued)

The School District has two types of funds:

- **Governmental Funds:** Most of the School District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them. The governmental fund statements focus primarily on current financial resources and often have a budgetary orientation. Governmental funds include the general fund and fresh fruit & vegetable program fund (a Special Revenue Fund). Required financial statements are the balance sheet and the statement of revenue, expenditures, and change in fund balance.
- **Fiduciary Funds:** The School District is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The School District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations. Fiduciary fund reporting focuses on net position and changes in net position.

### FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

The School District's net position as of June 30, 2017, are as detailed in Tables A-3 and A-4.

**Table A-3** Condensed Statements of Net Position - Governmental Activities

	Fiscal Year <u>2017</u>	Fiscal Year <u>2016</u>	Percent <u>Change</u>
Assets:			
Current and other assets	\$ 613,439	\$ 671,047	-8.58%
Capital assets, net	<u>4,219,792</u>	<u>4,381,017</u>	<u>-3.68%</u>
Total assets	<u>4,833,231</u>	<u>5,052,064</u>	<u>-4.33%</u>
Deferred outflows of resources	<u>57,448</u>	<u>36,638</u>	<u>56.80%</u>
Total assets and deferred outflows of resources	<u>4,890,679</u>	<u>5,088,702</u>	<u>-3.89%</u>
Liabilities:			
Current liabilities	511,084	739,602	-30.90%
Long-term liabilities	<u>1,603,654</u>	<u>1,732,911</u>	<u>-7.46%</u>
Total liabilities	<u>2,114,738</u>	<u>2,472,513</u>	<u>-14.47%</u>
Deferred inflows of resources	<u>12,656</u>	<u>6,725</u>	<u>88.19%</u>
Total liabilities and deferred inflows of resources	<u>2,127,394</u>	<u>2,479,238</u>	<u>-14.19%</u>
Net position:			
Investment in capital assets	2,639,792	2,646,017	-0.24%
Unrestricted	<u>123,493</u>	<u>(36,553)</u>	<u>-437.85%</u>
Total net position	<u>\$ 2,763,285</u>	<u>\$ 2,609,464</u>	<u>N/A</u>

## FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (Continued)

### Changes in Net Position

The School District's fiscal year 2017 revenue totaled \$7,695,736 (see Table A-4). The general state support grant, tuition and state operating grants accounted for most of the School District's revenue (see Table A-5). The remainder came from other miscellaneous sources.

The total cost of all programs and services, totaled \$7,541,915 for 2017. The majority of this amount is used to support instruction, including special education (see Table A-6).

**Table A-4** Changes in Net Position from Operating Results - Governmental Activities

	Fiscal Year 2017	Fiscal Year 2016	Percent Change
Revenue:			
Operating grants	\$ 294,855	\$ 210,642	39.98%
General revenue:			
Assessments	5,303,271	5,077,521	4.45%
Tuition from non-members	799,972	803,599	-0.45%
Interest income	9,683	10,614	-8.77%
Federal sources	-	-	-
State sources	1,012,712	1,233,100	-17.87%
Miscellaneous	275,243	184,665	49.05%
Total revenue	7,695,736	7,520,141	2.33%
Expenses:			
Administration	1,812,432	1,847,046	-1.87%
Regular instruction	3,158,552	3,090,167	2.21%
Building maintenance	696,862	670,114	3.99%
Transportation	163,128	169,321	-3.66%
Special education	1,548,124	1,448,148	6.90%
School lunch	119,903	189,269	-36.65%
Debt service - Interest	42,914	73,140	-41.33%
Total expenses	7,541,915	7,487,205	0.73%
Change in net position	\$ 153,821	\$ 32,936	367.03%

### Revenue

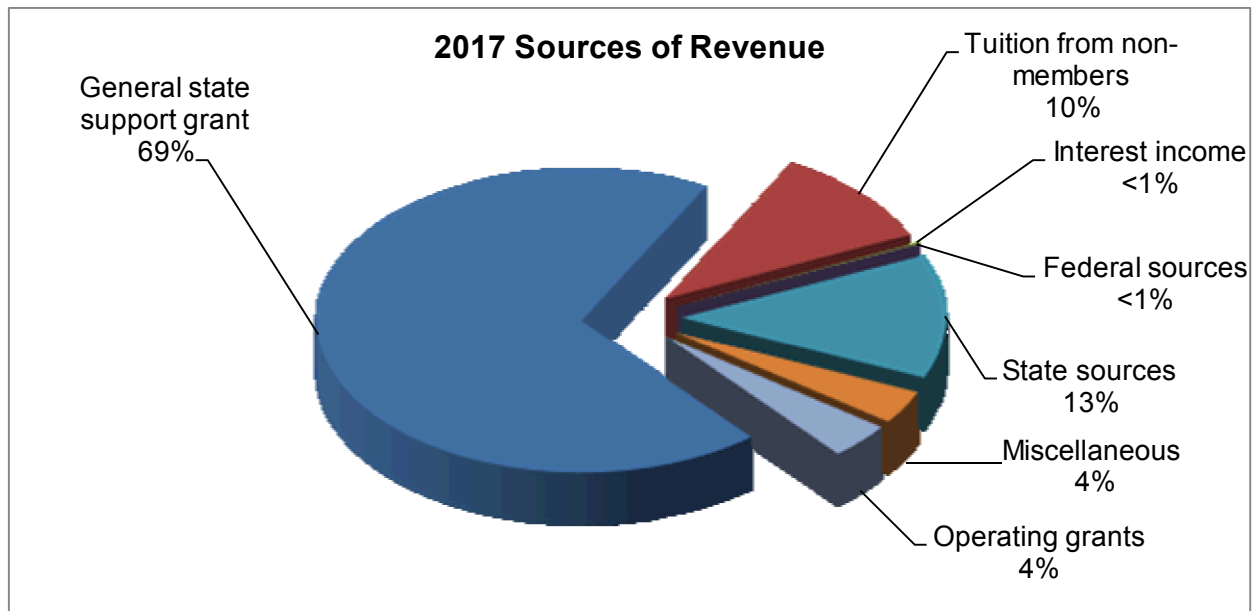
- General State Support Grant increased as a result of increased budgeted spending and the voter approved funding of the reserves.

### Expenses

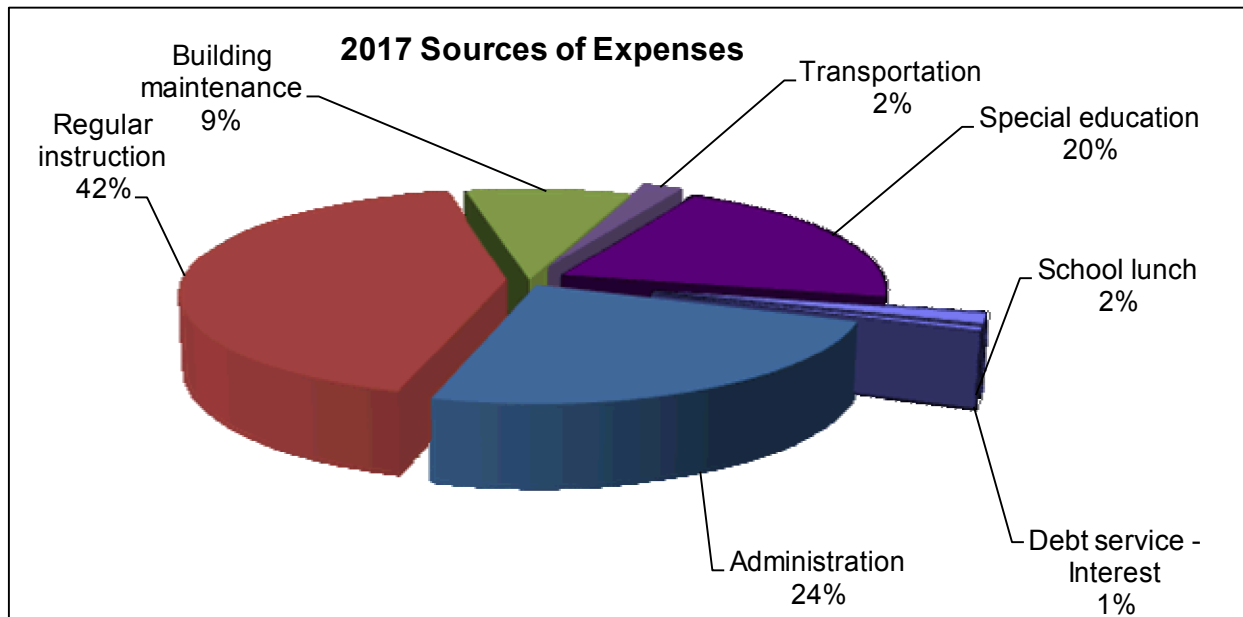
- Special Education expenses increased largely as a result of additional special education intensive service needs.

## FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (Continued)

**Table A-5 Sources of Revenue for 2017**



**Table A-6 Sources of Expenses for 2017**



## FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (Continued)

### Governmental Activities

Revenue for the School District's governmental activities totaled \$7,695,736 while total expenses equaled \$7,541,915 resulting in an increase in net position of \$153,821. The School District's strong financial condition can be credited to:

- Continued strong leadership by the Board of School Directors
- Community support of the School District
- Strong fiscal management by administration

Table A-7 presents the cost of all of the School District activities. The table also shows each activity's net cost (total cost less fees generated by the activities and aid provided for specific programs). The net cost shows the financial burden placed on the School District's member districts by each of these functions.

**Table A-7** Net Cost of Governmental Activities

	Total Cost Of Services 2017	Total Cost Of Services 2016	Percent Change	(Net) Cost Of Services 2017	(Net) Cost Of Services 2016	Percent Change
<b>Functions:</b>						
Administration	\$ 1,812,432	\$ 1,847,046	-1.87%	\$ 1,812,432	\$ 1,847,046	-1.87%
Regular instruction	3,158,552	3,090,167	2.21%	2,358,580	2,286,568	3.15%
Building maintenance	696,862	670,114	3.99%	696,862	670,114	3.99%
Transportation	163,128	169,321	-3.66%	163,128	169,321	-3.66%
Special education	1,548,124	1,448,148	6.90%	1,295,866	1,374,215	-5.70%
School lunch	119,903	189,269	-36.65%	77,306	52,560	47.08%
Debt service - Interest	<u>42,914</u>	<u>73,140</u>	<u>-41.33%</u>	<u>42,914</u>	<u>73,140</u>	<u>-41.33%</u>
Total	<u>\$ 7,541,915</u>	<u>\$ 7,487,205</u>	<u>0.73%</u>	<u>\$ 6,447,088</u>	<u>\$ 6,472,964</u>	<u>-0.40%</u>

## FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Variances between years for the governmental fund financial statements are not the same as variances between years for the government-wide financial statements. The School District's governmental funds are presented on the current financial resources measurement focus and the modified accrual basis of accounting. Under this method of presentation, governmental funds do not include long-term liabilities for the funds' projects and capital assets purchased by the funds. Governmental funds will include proceeds from the issuance of debt, the current payments for capital assets, and the current payments for debt.

### Governmental Fund Highlights

The following is a brief description of the activity in the governmental funds for 2017:

GeneralFund - The general fund ended the year with \$(23,178) deficit in fund balance.

SpecialRevenueFund – The federal fund ended the year with \$192,185 in fund balance.

CapitalProjectsFund – The capital projects fund ended the year with \$79,297 in fund balance.

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (Continued)****General Fund Budgetary Highlights**

This section presents an analysis of significant variances between original and final budget amounts and between final budget amounts and actual results for the general fund.

**Results vs. Budget**

The general fund is the only fund which a budget is submitted for the approval of the resident voters and legally adopted.

	<b><u>Original Budget</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance</u></b>
<b>Revenue:</b>				
General state support grant	\$ 4,910,219	\$ 4,910,219	\$ 4,938,461	\$ 28,242
Tuition from non-members	852,500	852,500	799,972	(52,528)
Interest income	11,000	11,000	9,616	(1,384)
Subgrants from Supervisory Union	189,380	189,380	174,821	(14,559)
Miscellaneous	<u>22,957</u>	<u>22,957</u>	<u>58,802</u>	<u>35,845</u>
Total local sources	5,986,056	5,986,056	5,981,672	(4,384)
State aid	<u>1,134,162</u>	<u>1,134,162</u>	<u>1,012,712</u>	<u>(121,450)</u>
Total revenue	<u>7,120,218</u>	<u>7,120,218</u>	<u>6,994,384</u>	<u>(125,834)</u>
<b>Expenditures:</b>				
Board of education	18,169	18,169	14,945	3,224
Administration	1,046,119	1,046,119	1,106,168	(60,049)
Instruction	2,332,100	2,332,100	2,337,787	(5,687)
Special education	1,697,365	1,697,365	1,548,124	149,241
In-service	86,089	86,089	57,448	28,641
Co-curricular activities	298,204	298,204	317,341	(19,137)
Art	127,941	127,941	102,382	25,559
Physical education	204,310	204,310	218,724	(14,414)
Guidance	206,486	206,486	218,927	(12,441)
Nurse	64,283	64,283	67,578	(3,295)
Library services	97,660	97,660	100,290	(2,630)
Building maintenance and operations	540,387	540,387	540,725	(338)
Transportation	163,211	163,211	163,128	83
Food service	8,347	8,347	8,348	(1)
Debt service	<u>229,547</u>	<u>229,547</u>	<u>223,403</u>	<u>6,144</u>
Total expenditures	<u>7,120,218</u>	<u>7,120,218</u>	<u>7,025,318</u>	<u>94,900</u>
<b>Change in fund balance</b>	-	-	(30,934)	(30,934)
<b>Fund balance - beginning of year</b>	<u>7,756</u>	<u>7,756</u>	<u>7,756</u>	
<b>Fund balance - end of year</b>	<u>\$ 7,756</u>	<u>\$ 7,756</u>	<u>\$ (23,178)</u>	



## FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (Continued)

### Capital Assets

At the end of 2017, the School District had a net investment in capital assets of \$4.2 million.

**Table A-9** Capital Assets (net of depreciation)

<u>Category</u>	Fiscal Year 2017	Fiscal Year 2016	Percent Change
Land	\$ 71,829	\$ 71,829	0.00%
Buildings and improvements	3,948,413	4,089,670	-3.45%
Furniture and equipment	199,550	219,518	-9.10%
Total	<u>\$ 4,219,792</u>	<u>\$ 4,381,017</u>	<u>-3.68%</u>

### Long-Term Liabilities

At year-end, the School District had \$1.7 million of long-term liabilities. More detailed information about the School District's long-term liabilities is presented in the notes to the financial statements.

**Table A-10** Outstanding Long-Term Liabilities

<u>Category</u>	Fiscal Year <u>2017</u>	Fiscal Year <u>2016</u>
General obligation bonds	\$ 1,580,000	\$ 1,735,000
Net pension liability	113,672	86,419
Other	<u>44,982</u>	<u>66,492</u>
Total	<u>\$ 1,738,654</u>	<u>\$ 1,887,911</u>

## FACTORS BEARING ON THE FUTURE OF THE SCHOOL DISTRICT

At the time these financial statements were prepared and audited, the School District was aware of the following existing circumstances that could significantly affect its financial health in the future:

Declining public school enrollment is an issue for the State of Vermont from which the Leland & Gray Union Middle/High School District is not immune. Declining enrollment may cause financial strain on the School District as Education Spending Revenue is determined, in part, by student population. Act 46 (sec 22+23) will begin to impact the equalized student count as the State addresses phasing out of the phantom students.

The recent vote to merge districts in Fiscal Year 2020 will have a positive bearing on the future of Leland and Gray. With the merger of Brookline, Jamaica, Newfane, Townshend, and Leland and Gray School Districts, the volatility of tax rates should begin to level out.

## **CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide citizens, taxpayers, customers, and investors and creditors with a general overview of the finances of the School District and to demonstrate the School District's accountability with the funds it receives. If you have any questions about this report or need additional financial information, please contact:

Leland and Gray Union High School  
1219 Vermont Route 30  
Townshend, VT 05353  
802-365-9510

**LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)**

**STATEMENT OF NET POSITION**  
**JUNE 30, 2017**

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**ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

CURRENT ASSETS:

Cash	\$ 283,436
Accounts receivable	46,113
Due from other governments	277,272
Due from other fiduciary funds	<u>6,618</u>

Total current assets 613,439

NONCURRENT ASSETS:

Capital assets, net	<u>4,219,792</u>
---------------------	------------------

DEFERRED OUTFLOWS OF RESOURCES - VMERS 57,448

**TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** 4,890,679

**LIABILITIES AND DEFERRED INFLOWS OF RESOURCES**

CURRENT LIABILITIES:

Accounts payable	9,264
Accrued payroll	182,746
Due to other governments	172,644
Bonds payable due within one year	135,000
Accrued interest payable	<u>11,430</u>

Total current liabilities 511,084

LONG-TERM LIABILITIES:

Compensated absences payable	44,982
Net pension liability - VMERS	113,672
Bonds payable, net of current portion	<u>1,445,000</u>

Total long-term liabilities 1,603,654

DEFERRED INFLOWS OF RESOURCES - VMERS 12,656

**TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES** 2,127,394

**NET POSITION**

Net investment in capital assets	2,639,792
Unrestricted	<u>123,493</u>

**TOTAL NET POSITION** \$ 2,763,285

The accompanying notes are an integral part of these statements.

# LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2017

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants</u>	<u>Net (Expense) Revenue and Change in Net Position</u>
FUNCTIONS/PROGRAMS:				
Administration	\$ 1,812,432	\$ -	\$ -	\$ (1,812,432)
Regular instruction	3,158,552	799,972	-	(2,358,580)
Building maintenance	696,862	-	-	(696,862)
Transportation	163,128	-	-	(163,128)
Special education	1,548,124	-	252,258	(1,295,866)
School lunch	119,903	-	42,597	(77,306)
Debt service - interest	<u>42,914</u>	<u>-</u>	<u>-</u>	<u>(42,914)</u>
TOTAL FUNCTIONS/PROGRAMS	<u>\$ 7,541,915</u>	<u>\$ 799,972</u>	<u>\$ 294,855</u>	<u>(6,447,088)</u>
GENERAL REVENUE:				
General state support grant				5,303,271
Interest income				9,683
State aid				1,012,712
Miscellaneous				<u>275,243</u>
TOTAL GENERAL REVENUE				<u>6,600,909</u>
CHANGE IN NET POSITION				<u>153,821</u>
TOTAL NET POSITION - beginning of year				<u>2,609,464</u>
TOTAL NET POSITION - end of year				<u>\$ 2,763,285</u>

The accompanying notes are an integral part of these statements.

# LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)

## BALANCE SHEET - GOVERNMENTAL FUNDS AND RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO GOVERNMENT-WIDE NET POSITION JUNE 30, 2017

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash	\$ 53,152	\$ 150,987	\$ 79,297	\$ 283,436
Accounts receivable	3,508	42,605	-	46,113
Due from other government	277,272	-	-	277,272
Due from other funds	-	7,680	-	7,680
<b>TOTAL ASSETS</b>	<b>\$ 333,932</b>	<b>\$ 201,272</b>	<b>\$ 79,297</b>	<b>\$ 614,501</b>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
Accounts payable	\$ 908	\$ 8,590	\$ -	\$ 9,498
Accrued liabilities	182,746	-	-	182,746
Due to other governments	172,644	-	-	172,644
Due to other funds	812	250	-	1,062
<b>TOTAL LIABILITIES</b>	<b>357,110</b>	<b>8,840</b>	<b>-</b>	<b>365,950</b>
<b>FUND BALANCE:</b>				
Assigned	-	192,432	79,297	271,729
Unassigned	(23,178)	-	-	(23,178)
<b>TOTAL FUND BALANCE</b>	<b>(23,178)</b>	<b>192,432</b>	<b>79,297</b>	<b>248,551</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 333,932</b>	<b>\$ 201,272</b>	<b>\$ 79,297</b>	<b>\$ 614,501</b>

## RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGE IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES

Amounts reported for governmental activities in the statement of net position are different because:

Total governmental fund balances per above	\$ 248,551
Pension 68 related government-wide activity	
Deferred outflows of resources	57,448
Net pension liability - VMERS	(113,672)
Deferred inflows of resources	(12,656)
Capital assets, net of depreciation used in governmental activities are not financial resources and, therefore, are not in the funds.	4,219,792
Other assets are not available to pay for current-period expenditures, and, therefore, are reported as accounts payable	234
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds	(1,636,412)
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 2,763,285</b>

The accompanying notes are an integral part of these statements.

# **LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)**

## **STATEMENT OF REVENUE, EXPENDITURES, AND CHANGE IN FUND BALANCE - GOVERNMENTAL FUNDS** **FORTHEYEARENDEDJUNE30,2017**

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
REVENUE:				
General state support grant	\$ 4,938,461	\$ -	\$ -	\$ 4,938,461
Tuition from non-members	799,972	-	-	799,972
Interest income	9,616	67	-	9,683
Subgrants from Supervisory Union	174,821	-	-	174,821
Federal aid	-	73,136	-	73,136
State aid	1,012,712	4,301	-	1,017,013
School lunch	-	42,597	-	42,597
Miscellaneous	<u>58,802</u>	<u>211,441</u>	<u>5,000</u>	<u>275,243</u>
Total revenue	<u>6,994,384</u>	<u>331,542</u>	<u>5,000</u>	<u>7,330,926</u>
EXPENDITURES:				
Administration	1,507,908	-	-	1,507,908
Regular instruction	3,033,682	57,694	-	3,091,376
Building maintenance	540,725	-	-	540,725
Transportation	163,128	-	-	163,128
Special education	1,548,124	0	-	1,548,124
School lunch	8,348	114,422	-	122,770
Capital outlays	-	-	8,071	8,071
Debt service - Interest	68,403	-	-	68,403
Debt service - Principal	<u>155,000</u>	<u>-</u>	<u>-</u>	<u>155,000</u>
Total expenditures	<u>7,025,318</u>	<u>172,116</u>	<u>8,071</u>	<u>7,205,505</u>
CHANGE IN FUND BALANCE	(30,934)	159,426	(3,071)	125,421
FUND BALANCE (DEFICIT) - beginning of year	<u>7,756</u>	<u>33,006</u>	<u>82,368</u>	<u>123,130</u>
FUND BALANCE (DEFICIT) - end of year	<u>\$ (23,178)</u>	<u>\$ 192,432</u>	<u>\$ 79,297</u>	<u>\$ 248,551</u>

The accompanying notes are an integral part of these statements.



**LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)**

**RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2017**

---

Net change in fund balance - total governmental funds	\$ 125,421
Capital outlays, net of disposals, are expenditures in governmental funds, but are capitalized in the statement of net position	39,150
Losses on the disposal of capital assets are recorded in the statement of activities, but not in the governmental funds	(6,013)
Pension expense resulting from the GASB 68 related actuary reporting is not recorded as an expenditure in the government funds but is recorded in the statement of activities	(12,374)
Pension expense related to the change in the net pension liability that is the responsibility of the State of Vermont under the special funding provision of GASB Statement No. 68.	(364,810)
Depreciation is not recorded as a expenditure in the governmental funds, but is recorded in the statement of activities	(194,362)
Repayments of long-term debt are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the statement of net position	155,000
Support from the State of Vermont related to the change in the net pension liability under the special funding provision of GASB Statement No. 68	364,810
Accrued compensated absences and bond interest do not require the expenditure of current resources and are, therefore not reported as expenditures in the governmental funds	<u>46,999</u>
Change in net position - governmental activities	<u>\$ 153,821</u>

The accompanying notes are an integral part of these statements.

**LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)****STATEMENT OF NET POSITION - FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2017**

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	<u>Agency</u>	<u>Private Purpose Trust</u>
<b>ASSETS:</b>		
Cash	\$ 43,013	\$ 174,508
Due from other funds	0	250
Accounts receivable	<u>-</u>	<u>-</u>
 Total assets	 <u>\$ 43,013</u>	 <u>\$ 174,758</u>
<b>LIABILITIES:</b>		
Accounts payable	3,706	-
Due to other funds	6,868	-
Student activity balances	<u>32,439</u>	<u>-</u>
 Total liabilities	 <u>\$ 43,013</u>	 <u>-</u>
<b>NET POSITION:</b>		
Reserved for scholarships		<u>\$ 174,758</u>

**LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)****STATEMENT OF CHANGE IN NET POSITION - FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2017**

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	<u>Private Purpose Trust</u>
<b>ADDITIONS:</b>	
Gifts and donations	19,211
Interest income	<u>-</u>
 Total additions	 <u>19,211</u>
<b>DEDUCTIONS:</b>	
Scholarships and awards	<u>10,310</u>
 NET DECREASE	 8,901
NET POSITION - beginning of year	<u>165,857</u>
 NET POSITION - end of year	 <u>\$ 174,758</u>

The accompanying notes are an integral part of these statements.

# LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

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### 1. NATURE OF OPERATIONS

Leland and Gray Union High School District (No. 34) (School District) provides 9-12 public high school education to students in the following Vermont towns:

- Brookline
- Newfane
- Jamaica
- Townshend
- Windham

Functions of the Office of the Superintendent are provided to the School District by the Windham Central Supervisory Union (WCSU) of which the School District is a member.

### 2. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Significant accounting principles and policies utilized by the School District are described below:

#### **Reporting Entity**

The School District is an independent district organized under the laws of the State of Vermont and is governed by an elected board of school directors.

The reporting entity of the School District is based upon criteria set forth by GASB Statement 14, *The Financial Reporting Entity* as amended by GASB 39, Component Units. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the School District. The School District is not a component unit of another reporting entity. The decision to include a potential component unit in the School District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability.

## 2. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **Basis of Presentation**

The School District's financial statements consist of district-wide financial statements, including a statement of net position and a statement of activities, and fund level financial statements which provide more detailed information.

### District-wide Statements

The statement of net position and the statement of activities present financial information about the School District's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, state aid, intergovernmental revenue, and other exchange and non-exchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The statement of activities presents a comparison between direct expenses and program revenue for each function of the School District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function.

Program revenue includes charges paid by the recipients of goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue.

### Fund Financial Statements

The School District uses funds to maintain its accounting records. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The fund financial statements provide information about the School District's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The following are the School District's government fund types:

*General Fund:* This is the School District's primary operating fund. It accounts for all financial transactions that are not required to be accounted for in another fund.

*Special Revenue Fund:* These funds account for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes, school lunch operations, and other activities whose funds are restricted as to use. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties. The School District uses one special revenue type fund.

*Capital Projects Fund:* These funds are used to account for the financial resources used for acquisition, construction, or major repair of capital assets.

## 2. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Fund Financial Statements (Continued)

#### Fiduciary Fund Types

*Fiduciary Fund:* Fiduciary activities are those in which the School District acts as trustee or agent for resources that belong to others. These activities are not included in the government-wide financial statements, because their resources do not belong to the School District and are not available to be used.

There are two classes of fiduciary funds:

- Private purpose trust funds: These funds are used to account for trust arrangements in which principal and income benefits annual third party awards and scholarships for students. Established criteria govern the use of the funds and members of the School District or representatives of the donors may serve on committees to determine who benefits.
- Agency funds: These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the School District as an agent for various student groups or student activity funds and for payroll or employee withholding.

#### **Use of Estimates**

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

#### **Measurement Focus and Basis of Accounting**

Measurement focus refers to what is being measured, whereas basis of accounting refers to when revenues and expenditures are recognized. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions in which the School District gives or receives value without directly receiving or giving equal value in exchange include property taxes, grants, and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

## **2. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Measurement Focus and Basis of Accounting (Continued)**

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The School District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

### **Cash**

The School District's cash consist of cash on hand and demand deposits.

Vermont State law governs the School District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the state. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements, and obligations of Vermont State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and districts.

### **Accounts Receivable**

Accounts receivable are shown gross. No allowance for uncollectible accounts has been provided since it is believed that such allowance, if any, would not be material.

### **Interfund Transactions**

The operations of the School District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The School District typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditure and revenues to provide financing or other services.

In the government-wide statements, the amounts reported on the Statement of Net Position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all significant interfund receivables and payables between the funds.

### **Capital Assets, Net**

Capital assets are reported at actual cost for acquisitions subsequent to July 1, 2003. For assets acquired prior to July 1, 2003, estimated historical costs, based on appraisals conducted by independent third-party professionals were used. Donated assets are reported at estimated fair value at the time received.



## 2. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Capital Assets, Net (Continued)

Capitalization thresholds, (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated UsefulLife</u>
Land	\$ 10,000	N/A	N/A
Buildings and improvements	10,000	SL	20-100
Furniture and equipment	10,000	SL	5-30

### Education Fund Taxes

State Education Fund taxes are levied annually by the State of Vermont in conjunction with the local municipalities real property taxes no later than October 1 and become a lien at the time of the levy. Taxes are collected from the date of issue until the due date set in November. Twenty days after the due date the Town on behalf of the State turns over all State Education Funds collected to the School District. Uncollected Education Fund taxes are subsequently enforced by the Town in which the School District is located. The Town must provide any uncollected State Education Fund taxes to the school district no later than 120 days from the date the tax was due.

### Compensated Absences

The liability for compensated absences is calculated at rates in effect as of the balance sheet date and is recorded in the governmental funds in as much as it will be funded from current financial resources and the government-wide statements for amounts to be paid from future financial resources.

The School District recognizes a liability for sick leave and additional salary related payments as the benefits are earned by the employees, based on the rendering of past service and the probability that the employees will be compensated for the benefits through pay or some other means. This includes sick leave that was earned but not used during the current or prior periods and for which employees can receive compensation in a future period. Amounts do not include leave that is expected to lapse and includes leave that employees will eventually qualify for but have not earned.

### Retirement Plans

#### VermontMunicipalEmployees'RetirementSystem

The School District funds accrued pension costs. Certain District employees are members of the state administered Vermont Municipal Employees' Retirement System (VMERS). Under Vermont statutes, the School District and its employees each contribute a statutory percentage of compensation to the system. The School District's proportionate remaining actuarial liability related to VMERS is the responsibility of the School District.

#### StateTeachers'RetirementSystemofVermont

Teachers who are full-time employees of the School District are members of the Vermont State Teachers' Retirement System (VSTRS). Under Vermont statutes, certain District employees contribute a statutory percentage of their compensation to VSTRS. The annual contribution related to the School District is paid by the State. The School District's proportionate remaining actuarial liability related to VSTRS is the responsibility of the State of Vermont.

## **2. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Retirement Plans (Continued)**

#### **Postretirement Benefits**

In addition to providing pension benefits, the School District offers health insurance coverage and survivor benefits for retired employees and their survivors. The respective retirees pay for this coverage with no additional expense recognized by the School District.

### **Accrued Liabilities and Long-Term Obligations**

Payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources.

Claims and judgments and compensated absences that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Long-term obligations represent the School District's future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the Statement of Net Position.

### **Restricted Resources**

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the School District's policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these notes.

### **Unearned Revenue**

Unearned revenue is reported when potential revenue does meet both the measurable and available criteria for recognition in the current period. Unearned revenue also arises when resources are received by the School District before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the School District has legal claim to the resources, the liability for unearned revenue is removed and revenue is recorded.

### **Short-Term Debt**

The School District may issue Revenue Anticipation Notes (RANs) and Tax Anticipation Notes (TANs), in anticipation of the receipt of revenue. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resource of the fund.

The School District may issue Bond Anticipation Notes (BANs), in anticipation of proceeds from the subsequent sales of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date.

During the year ended June 30, 2017, the School District issued and redeemed a \$962,000 TAN.

## 2. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **Net Position/Fund Balance Classifications**

#### Government-wide Statements

In the government-wide statements there are three classes of net position:

Net Investment in Capital Assets - consists of net capital assets (cost less accumulated depreciation) plus unspent bond proceeds reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

Restricted Net Position - reports net position when constraints placed on the assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The School District has no restricted net position as of June 30, 2017.

Unrestricted Net Position - reports all other net position that do not meet the definition of the above two classifications and are deemed to be available for general use by the School District.

In the fund basis statements there are five classifications of fund balance:

#### Governmental Funds Statements

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Nonspendable fund balance would include prepaid expenses. The School District has no nonspendable fund balance as of June 30, 2017.

Restricted Fund Balance - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The School District has no restricted fund balance as of June 30, 2017.

Committed Fund Balance - Includes amounts that can be used for the specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision making authority, i.e., the Board of School Directors. The School District has no committed fund balance as of June 30, 2017.

Assigned Fund Balance - Includes amounts that are constrained by the School District's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned Fund Balance - Includes all other general fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the School District.

#### Order of Fund Balance Spending Policy

The School District's policy is to apply expenditures against restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. For all funds, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the general fund are classified as assigned fund balance. In the general fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

## 2. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Order of Fund Balance Spending Policy (Continued)

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the government-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the statement of activities compared with the current financial resources focus of the governmental funds.

### *Total Fund Balance of Governmental Funds vs. Net Position of Governmental Activities*

Total fund balance of the School District's governmental funds differ from net position of governmental activities reported in the statement of net position. This difference primarily results from the additional long-term economic focus of the statement of net position versus the solely current financial resources focus of the governmental fund balance sheet.

### *Statement of Revenue, Expenditures, and Change in Fund Balance vs. Statement of Activities*

Differences between the governmental funds statement of revenue, expenditures, and change in fund balance and the statement of activities fall into one of three broad categories.

### Long-Term Revenue and Expense Differences

Long-term revenue differences arise because governmental funds report revenue only when it is considered available, whereas the statement of activities reports revenue when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used for the statement of activities.

### Capital Related Differences

Capital related differences include the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the statement of activities.

### Long-Term Debt Transaction Differences

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the statement of activities as incurred, and principal payments are recorded as a reduction of liabilities in the statement of net position.

## 4. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

### **Budgetary Procedures and Budgetary Accounting**

Budgets are managed annually on a basis consistent with GAAP.

The School District follows these procedures in establishing the budgetary data reflected in the general purpose financial statements:

1. The School Board prepares the annual operating budget for the general fund for the School District's year ended June 30th. The School Board prepares the budget with assistance from the Business Manager, Buildings and Grounds Supervisor, and Principals from each of the schools that the School District operates. The operating budget includes proposed expenditures and the means of financing them. The budget is then submitted to the full board of school directors for its adoption.

**4. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

2. After the budget is adopted by the Board, the School District publishes a copy of the proposed operating budget. A notice of the annual meeting of the School District is posted in three public places and legal voters are invited to attend the annual meeting to discuss the proposed budget.
3. In March, the annual District meeting is held and the budget is legally enacted by a general District vote.
4. Budget revisions, which would increase the amount of total budgeted expenditures, must be approved by a District vote. Appropriations lapse at the end of the School District's fiscal year.
5. The budget is controlled by a monthly review process which involves detailed communications between accounts payable, the CFO, the building principal, and the Board.
6. The budget for the general fund is managed using the modified accrual basis. The total budgeted amount of expenditures is as originally adopted. Transfers between expenditure categories have occurred during the year.

There were no budget amendments during the year.

**5. CUSTODIAL CREDIT, CONCENTRATION OF CREDIT RISK**

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. While the School District does not have a specific policy for custodial risk, Vermont State statutes govern the School District's investment policies, as discussed previously in these Notes.

The School District's aggregate bank balances of \$627,497 with a carrying amount of \$500,957 are fully covered by depository insurance or collateralized at June 30, 2017.

## 6. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2017, were as follows:

	July 1, 2016 <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	June 30, 2017 <u>Balance</u>
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$ 71,829	\$ -	\$ -	\$ 71,829
Capital assets that are depreciated:				
Land Improvements	131,875	-	-	131,875
Buildings and Building Improvements	6,540,673	-	-	6,540,673
Equipment	<u>747,838</u>	<u>39,150</u>	<u>319,812</u>	<u>467,176</u>
Total depreciable historical cost	<u>7,420,386</u>	<u>39,150</u>	<u>319,812</u>	<u>7,139,724</u>
Less accumulated depreciation:				
Land Improvements	76,596	-	-	76,596
Buildings and Building Improvements	2,506,282	141,257	-	2,647,539
Equipment	<u>528,320</u>	<u>53,105</u>	<u>313,799</u>	<u>267,626</u>
Total accumulated depreciation	<u>3,111,198</u>	<u>194,362</u>	<u>313,799</u>	<u>2,991,761</u>
Total depreciable cost, net	<u>\$ 4,381,017</u>	<u>\$ (155,212)</u>	<u>\$ 6,013</u>	<u>\$ 4,219,792</u>

Depreciation expense of \$194,362 for the year ended June 30, 2017, was allocated to the following specific functions:

Building and grounds	\$ 156,137
Instruction	35,293
Student services	110
School lunch	<u>2,822</u>
Total	<u><u>\$ 194,362</u></u>

## 7. LONG-TERM DEBT

Interest on long-term debt for the year was composed of:

Interest paid	\$ 68,403
Less interest accrued in the prior year	(36,919)
Plus interest accrued in the current year	<u>11,430</u>
Total expense	<u><u>\$ 42,914</u></u>



## 7. LONG-TERM DEBT (Continued)

Long-term liability balances and activity for the year are summarized below:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within OneYear	Long-term Portion
Bonds payable:						
General obligation debt:						
Serial bond - 1996 - refunded	\$ 1,715,000	\$ -	\$ 135,000	\$ 1,580,000	\$ 135,000	\$ 1,445,000
Serial bond - 2008 - refunded	<u>20,000</u>	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total bonds payable	<u>1,735,000</u>	<u>-</u>	<u>155,000</u>	<u>1,580,000</u>	<u>135,000</u>	<u>1,445,000</u>
Other liabilities:						
Net pension liability - VMERS	86,419	27,253	-	113,672	-	113,672
Compensated absences	<u>66,492</u>	<u>-</u>	<u>21,510</u>	<u>44,982</u>	<u>-</u>	<u>44,982</u>
Total	<u>\$ 1,887,911</u>	<u>\$ 27,253</u>	<u>\$ 176,510</u>	<u>\$ 1,738,654</u>	<u>\$ 135,000</u>	<u>\$ 1,603,654</u>

Issue dates, maturities, and interest rates on outstanding debt are as follows:

<u>BondIssue</u>	<u>Issued</u>	<u>Maturity</u>	<u>InterestRate</u>	<u>Balance</u>
Serial bond	1996	2028	3.40%	<u>\$ 1,580,000</u>

The following is a summary of the maturity of bonds payable:

Fiscal Year Ending June 30,:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 135,000	\$ 65,948	\$ 200,948
2019	135,000	60,609	195,609
2020	135,000	55,128	190,128
2021	135,000	49,512	184,512
2022	130,000	43,875	173,875
2023-2027	650,000	133,517	783,517
2028-2029	<u>260,000</u>	<u>12,071</u>	<u>272,071</u>
Total	<u>\$ 1,580,000</u>	<u>\$ 420,660</u>	<u>\$ 2,000,660</u>

## 8. INTERFUND BALANCES AND ACTIVITY

The following is a summary of interfund activity:

	<u>Interfund</u>	
	<u>Receivable</u>	<u>Payable</u>
General	\$ -	\$ 812
Special Revenue	7,680	250
Student Activity	-	6,868
Trust	<u>250</u>	<u>-</u>
	<u>\$ 7,930</u>	<u>\$ 7,930</u>

Interfund receivables and payables, other than between governmental activities and fiduciary funds, are eliminated on the statement of net position.

The School District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues.

All interfund payables are expected to be repaid within one year.

## 9. PENSION PLAN

### VermontMunicipalEmployees'RetirementSystem

The School District participates in the Vermont Municipal Employees' Retirement System (VMERS). VMERS is a cost-sharing, multiple-employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees. It is designed for school districts and other municipal employees that work on a regular basis and also includes employees of museums and libraries if at least half of that institution's operating expenses are met by municipal funds. An employee of any employer that becomes affiliated with the system may join at that time or at any time thereafter. Any employee hired subsequent to the effective participation date of their employer who meets the minimum hourly requirement is required to join the system. The plan was established effective July 1, 1975 and is governed by Title 24, V.S.A. Chapter 125.

The general administration and responsibility for formulating administrative policy and procedures of VMERS for its members and their beneficiaries is vested in the Board of Trustees consisting of five members. They are the State Treasurer, two employee representatives elected by the membership of the system, and two employer representatives – one elected by the governing bodies of participating employees of the system, and one selected by the Governor from a list of four nominees. The list of four nominees is jointly submitted by the Vermont League of Cities and Towns and the Vermont School boards Association.

## 9. PENSION PLAN (Continued)

### VermontMunicipalEmployees'RetirementSystem(Continued)

The Pension Plan is divided into four membership groups as follows:

- Group A – general employees whose legislative bodies have not elected to become a member of Group B or C
- Group B & C – general employees whose legislative bodies have elected to become members of Group B or C
- Group D – sworn police officers, firefighters and emergency medical personnel

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits are available to each group and are based on average final compensation (AFC) and years of creditable service which vary by group. Members of all groups may qualify for vested deferred allowance, disability allowances and death benefit allowances subject to meeting various eligibility requirements.

Copies of each individual defined benefit retirement plan's annual actuarial valuation report, and information describing each defined benefit plan's provisions in greater detail, are available for inspection at the Retirement Division, Office of the State Treasurer, 109 State Street, Montpelier, Vermont 05609-6901.

#### **Contributions**

Title 24 VSA Chapter 125 of Vermont Statutes grant the authority to the retirement board to annually review the amount of municipalities contribution recommended by the actuary of the retirement system to achieve and preserve the financial integrity of the fund, and certify the rates of contributions payable by employers. The board of trustees also certifies the rates of contribution payable by employees. Employer contribution rates of gross salary for the year ended June 30, 2017 for each group are as follows; Group A (4%), Group B (5.5%), Group C (7.125%), and Group D (9.85%). District contributions to VMERS were \$11,251, 4% of covered payroll for 2017.

#### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

The School District's portion of the collective net pension liability \$113,672 as of June 30, 2016, the most recent valuation.

At June 30, 2017, the State of Vermont's proportion was 0.08833 percent, which was a decrease of 0.02376% from its proportion measured June 30, 2016.

## 9. PENSION PLAN (Continued)

### VermontMunicipalEmployees'RetirementSystem(Continued)

For the year ended June 30, 2017, the State of Vermont recognized pension expense of \$(31,482). At June 30, 2017, the State reported their share of deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,335	\$ -
Changes of Assumptions	18,255	-
Net difference between projected and actual earnings on pension plan investments	36,858	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	-	12,656
	<u>\$ 57,448</u>	<u>\$ 12,656</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense for the state as follows:

Plan's Year Ended June 30:

2017	\$ 10,334
2018	10,334
2019	17,765
2020	<u>6,359</u>
	<u>\$ 44,792</u>

### **Actuarial Assumptions**

#### **Significant Actuarial Assumptions and Methods**

The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using the actuarial assumptions outlined below. These assumptions were selected on the basis of the experience study that was performed for the five year period ending June 30, 2014:

Salary increases	5% per year
Actuarial cost method	Entry age normal - level percentage of pay
Inflation	Annual inflation rate of 3.00% per year.
Projected COLAs	50% of CPI, up to 2% a year for Group A members and 50% of CPI, up to 3% a year for Group B, C, and D members
Mortality	RP - 2000 projected 10 years from the valuation date with Scale BB with a 40% white collar adjustment for Groups A,B, and C and 100% blue collar adjustment for Group D

## 9. PENSION PLAN (Continued)

### VermontMunicipalEmployees'RetirementSystem(Continued)

#### **Long-term Expected Rate of Return**

The long-term expected rate of return on System investments was determined using best-estimate ranges of expected future nominal 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 variable and the asset classes. These best estimate ranges were combined to produce forecasts 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.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2016 are summarized in the following table:

<u>AssetType</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected RealRateofReturn</u>
Equity	35.00%	8.54%
Fixed Incomes	32.00%	2.36%
Alternatives	16.00%	8.35%
Multi-Strategy	17.00%	4.90%
	<u>100.00%</u>	

#### **Discount Rate**

The discount rate used to measure the total pension liability was 7.95%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at current member contribution rates that contributions from the non-employer will be made at statutorily required rates, actuarially determined. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current system members. Therefore, the long-term expected rate of return on plan investment was applied to all periods of projected payments to determine the total pension liability.

#### **Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption**

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.95%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percent lower (6.95%) or 1 percent higher (8.95%) than the current rate:

	<u>1 % Decrease (6.95%)</u>	<u>Current Assumption (7.95%)</u>	<u>1% Increase (8.95%)</u>
Proportionate Share of Net Pension liability	\$ 188,707	\$ 113,672	\$ 50,846

## 9. PENSION PLAN (Continued)

### VermontMunicipalEmployees'RetirementSystem(Continued)

#### **Pension Plan Fiduciary Net Position**

The schedule of employer allocations and schedule of pension amounts by employer are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The schedules present amounts that are elements of the financial statements of the VSTRS or its participating employers. VSTRS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Comprehensive Annual Financial Report (CAFR). The CAFR can be viewed on the State's Department of Finance & Management website at <http://finance.vermont.gov/reportsandpublications/cafr>.

### VermontStateTeachersRetirementSystem

All of the teachers employed by the School District participate in the Vermont State Teachers' Retirement System (VSTRS), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, covering nearly all public day school and nonsectarian private high school teachers and administrators as well as teachers in schools and teacher training institutions within and supported by the State of Vermont that are controlled by the State Board of Education. Membership in the system for those covered classes is a condition of employment. During the year ended June 30, 2016, the retirement system consisted of 274 participating employers.

The plan was established effective July 1, 1947, and is governed by Title 16, V.S.A. Chapter 55. Subsequent Vermont state legislation, Act 74, which became effective on July 1, 2010, contained numerous changes to the plan benefits available to current and future members, as well as a change in access to health care coverage after retirement, resulting from a multi-party agreement to provide sustainability of quality pension and retiree health benefits.

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of creditable service. The Vermont State Agency of Administration issues a publicly available Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information for the VSTRS. That report may be viewed on the State's Department of Finance & Management website at <http://finance.vermont.gov/reportsandpublications/cafr>.

The VSTRS provides retirement, and disability benefits, annual cost-of-living adjustments, health care and death benefits to plan members and beneficiaries. There are two levels of contributions and benefits in the System: Group A – for public school teachers employed with in the State of Vermont prior to July 1, 1981 and elected to remain in Group A; and Group C – for public school teachers employed within the State of Vermont on or after July 1, 1990. Group C also includes those teachers hired prior to July 1, 1990 and were in Group B on July 1, 1990. When Act 74 became effective on June 30, 2010, Group C was further bifurcated into Groups #1 and #2. Group #1 contains members who were at least 57 years of age or had at least 25 years of service, and Group #2 contains members who were less than 57 years of age and had less than 25 years of service.

Benefits available to each group are based on average final compensation (AFC) and years of creditable service.

Other post-employment benefits consisting of medical and dental benefits are available to all plan members. Medical benefit subsidy are based on the members' service credit and members pay full premium for dental benefits.

## 9. PENSION PLAN (Continued)

### VermontStateTeachersRetirementSystem(Continued)

#### *Contributions*

VSTRS is a cost-sharing public employee retirement system with one exception all risks and costs are not shared by the School District but are the liability of the State of Vermont. VSTRS is funded through State and employee contributions and trust fund investment earnings; and the School District has no legal obligation for paying benefits. Required contributions to the System are made by the State of Vermont based upon a valuation report prepared by the System's actuary, which varies by plan group. VSTRS estimates the contributions on behalf of the School District's employees included in the teachers' retirement plan which approximates \$259,753 or 13% of the \$1,986,957 in covered payroll.

Employee contribution rates by Plan group follow:

VSTRS	Group A	Group C - Group #1	Group C - Group #2
Employee Contributions	5.5% of gross salary	5.0% of gross salary	5.0% of gross salary with 5 or more years of service as of 7/1/14; 6.0% of gross salary if less than 5 years of service as of 7/1/14

#### **Pension Liabilities and Expense**

The State is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of member employers. Therefore the employers are considered to be in a special funding situation as defined in GASB No. 68 and the State is treated as nonemployer to VSTRS. Because the School District does not contribute directly to VSTRS, no net pension liability was recorded at June 30, 2017. The State's portion of the collective net pension liability that was associated with the School District was \$4,487,232 as of June 30, 2016, the most recent valuation date.

The State of Vermont's proportionate share of the net pension liability associated with the School District is equal to the collective net pension liability, actuarially measured as of June 30, 2016, multiplied by the School District's proportionate share percentage. The School District's proportionate share percentage was based on its reported salaries to the total reported salaries for all participating employers. At June 30, 2016, the School District's proportion was .34266%, which was a decrease of .01361 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the School District recognized total pension expense of \$364,810 and revenue of \$364,810 to recognize the support the State provided for District employees' pension benefits.



## 9. PENSION PLAN (Continued)

### Significant Actuarial Assumptions and Methods

The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using the actuarial assumptions outlined below. These assumptions were selected on the basis of the experience study that was performed for the five year period ending June 30, 2014:

*Interest Rate:* The interest rate is used was 7.95% per annum.

*Salary Increases:* Representative values of the assumed annual rates of future salary increases are as follows:

Age	Annual Rate of Salary Increase
25	8.15%
30	6.84%
35	5.97%
40	5.29%
45	4.80%
50	4.46%
55	4.22%
60	4.12%
65	4.12%

*Deaths After Retirement:* The RP – 2000 Mortality Tables projected to 2029 for retirees, terminated vested members and beneficiaries; the RP-2000 Disabled Life Table with projection to 2020 using Scale AA for disabled retirees. The tables used contain a margin to reflect anticipated mortality improvement after the valuation date.

*Inflation:* The separately stated assumptions for investment return, salary increases and cost of living adjustments are consistent with an expected annual inflation rate of 3.00% to 3.25% per year.

*Cost-of-Living Adjustments:* Assumed to occur on January 1 following one year of retirement at the rate 3% per annum for Group A members and 1.5% per annum for Group C members (beginning at age 62 for Group C members who elect reduced early retirement).

## 9. PENSION PLAN (Continued)

### Significant Actuarial Assumptions and Methods (Continued)

#### Long-term Expected Rate of Return

The long-term expected rate of return on System investments was determined using best-estimate ranges of expected future nominal 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 variable and the asset classes. These best estimate ranges were combined to produce forecasts 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.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2016 are summarized in the following table:

<u>AssetType</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected RealRateofReturn</u>
Equity	35.00%	8.54%
Fixed Income	32.00%	2.36%
Alternatives	16.00%	8.35%
Multi-strategy	17.00%	4.90%
	<u>100.00%</u>	

#### Discount Rate

The discount rate used to measure the total pension liability was 7.95%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at current member contribution rates that contributions from the non-employer will be made at statutorily required rates, actuarially determined. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current system members. Therefore, the long-term expected rate of return on plan investment was applied to all periods of projected payments to determine the total pension liability.

## 9. PENSION PLAN (Continued)

### Sensitivity of the School District'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 associated with the School District calculated using the discount rate of 7.95 percent, as well as what the proportionate share would be if it were calculated using a discount rate that is one percent lower (6.95%) or one percent higher (8.95%):

	1 % Decrease (6.95%)	Current Assumption (7.95%)	1% Increase (8.95%)
Proportionate Share of Net Pension liability	\$ 5,615,015	\$ 4,487,232	\$ 3,540,728

### Pension Plan Fiduciary Net Position

The schedule of employer allocations and schedule of pension amounts by employer are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The schedules present amounts that are elements of the financial statements of the VSTRS or its participating employers. VSTRS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Comprehensive Annual Financial Report (CAFR). The CAFR can be viewed on the State's Department of Finance & Management website at <http://finance.vermont.gov/reportsandpublications/cafr>

## 10. RELATED PARTIES

### Windham Central Supervisory Union

The School District has an ongoing financial relationship with the Windham Central Supervisory Union (WCSU). Through the WCSU's assessment process, the School District's assessment can be increased to cover a share of any prior year deficits and decreased to share in any prior year surpluses. Separate financial statements on the WCSU are available from the Windham Central Supervisory Union.

## 11. CONTINGENCIES

The School District participates in various state and federal grant programs which are subject to program compliance audits by the grantors or their representatives. The audits of these programs are an on-going process and many have not been conducted or completed. Accordingly, the School District's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures, which may be disallowed by the granting agencies cannot be determined at this time, although the School District anticipates such amounts, if any, to be immaterial.

## 12. RISK FINANCING AND RELATED INSURANCE

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past two years.

### **13. RELEVANT ACCOUNTING PRONOUNCEMENT ISSUED NOT YET IMPLEMENTED**

In June 2015, the GASB issued Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Statement No. 75 replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employer and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plan Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. The School District is required to adopt the provisions of these Statements for the year ending June 30, 2018.

In March 2016, GASB issued Statement No. 82, *Pension Issues-An Amendment of GASB Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73 Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The Statement addresses issues related to the presentation of payroll related measures in required supplementary information, selection of assumptions and the treatment of deviations and classification of payments made by employers to meet employee contribution requirements. The Statement takes effect for reporting periods beginning after June 15, 2016 except for the selection of assumptions in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end in which the effective date is on or after June 15, 2017. Earlier adoption is encouraged.

In November 2016, GASB issued Statement No. 83, *Certain Asset Retirement Obligations* (GASB 83). GASB 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The School District is required to adopt the provisions of these Statements for the year ending June 30, 2019.

In January of 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of Statement No. 84 is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The School District is required to adopt the provisions of these Statements for the year ending June 30, 2020.

The School District has not assessed the impact of these statements on its future financial statements.

### **14. SUBSEQUENT EVENT NOTE**

On July 3, 2017, the School District issued a tax anticipation note for \$1,275,000 with a maturity date of June 29, 2018 at 1.75% interest.

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

# LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)

## SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (UNAUDITED) FORTHEYEARENDEDJUNE30,2017

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
REVENUE:				
LOCAL SOURCES:				
General state support grant	\$ 4,910,219	\$ 4,910,219	\$ 4,938,461	\$ 28,242
Tuition from non-members	852,500	852,500	799,972	(52,528)
Interest income	11,000	11,000	9,616	(1,384)
Subgrants from Supervisory Union	189,380	189,380	174,821	(14,559)
Miscellaneous	<u>22,957</u>	<u>22,957</u>	<u>58,802</u>	<u>35,845</u>
Total local sources	5,986,056	5,986,056	5,981,672	(4,384)
State aid	<u>1,134,162</u>	<u>1,134,162</u>	<u>1,012,712</u>	<u>(121,450)</u>
Total revenue	<u>7,120,218</u>	<u>7,120,218</u>	<u>6,994,384</u>	<u>(125,834)</u>
EXPENDITURES:				
Board of education	18,169	18,169	14,945	3,224
Administration	1,046,119	1,046,119	1,106,168	(60,049)
Instruction	2,332,100	2,332,100	2,337,787	(5,687)
Special education	1,697,365	1,697,365	1,548,124	149,241
In-service	86,089	86,089	57,448	28,641
Co-curricular activities	298,204	298,204	317,341	(19,137)
Art	127,941	127,941	102,382	25,559
Physical education	204,310	204,310	218,724	(14,414)
Guidance	206,486	206,486	218,927	(12,441)
Nurse	64,283	64,283	67,578	(3,295)
Library services	97,660	97,660	100,290	(2,630)
Building maintenance and operations	540,387	540,387	540,725	(338)
Transportation	163,211	163,211	163,128	83
Food service	8,347	8,347	8,348	(1)
Debt service	<u>229,547</u>	<u>229,547</u>	<u>223,403</u>	<u>6,144</u>
Total expenditures	<u>7,120,218</u>	<u>7,120,218</u>	<u>7,025,318</u>	<u>94,900</u>
CHANGE IN FUND BALANCE	-	-	(30,934)	(30,934)
FUND BALANCE - beginning of year	<u>7,756</u>	<u>7,756</u>	<u>7,756</u>	-
FUND BALANCE - end of year	<u>\$ 7,756</u>	<u>\$ 7,756</u>	<u>\$ (23,178)</u>	<u>\$ (30,934)</u>

See independent auditor's report.

## LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY  
(UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2017

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM</b>										
District's proportion of the net pension liability	0.08833%	0.11209%	0.12241%	Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.						
District's proportionate share of the net pension liability	\$ 113.7	\$ 86.4	\$ 11.2							
Covered-employee payroll	\$ 281.3	\$ 335.6	\$ 391.7							
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	40.41%	25.75%								
2.85% Plan fiduciary net position as a percentage of the total pension liability	98.32%	87.42%								
<b>VERMONT STATE TEACHERS' RETIREMENT SYSTEM</b>										
State's proportion of the net pension liability	0.3426600%	0.3562700%	0.3783800%	Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.						
State's proportionate share of the net pension liability	\$ 4,487.2	\$ 4,227.2	\$ 3,582.6							
Covered-employee payroll	\$ 2,219.8	\$ 1,987.0	\$ 2,181.3							
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	202.2%	212.7%	164.2%							
Plan fiduciary net position as a percentage of the total pension liability	55.3%	58.2%	64.0%							

See independent auditor's report.



**LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)**

**SCHEDULE OF CONTRIBUTIONS - PENSION PLANS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2017**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM</b>										
Contractually required contribution	\$ 11.3	\$ 13.4	\$ 15.7							
Contributions in relation to the contractually required contribution	<u>11.3</u>	<u>13.4</u>	<u>15.7</u>							
Contribution deficiency (excess)	\$ -	\$ -	\$ -							
Covered-employee payroll	\$ 281.3	\$ 335.6	\$ 391.7							
Contributions as a percentage of covered-employee payroll	4.00%	4.00%	4.00%							

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>VERMONT STATE TEACHERS' RETIREMENT SYSTEM</b>										
Contractually required contribution	\$ -	\$ -	\$ -							
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>							
Contribution deficiency (excess)	\$ -	\$ -	\$ -							
Covered-employee payroll	\$ 2,219.8	\$ 1,987.0	\$ 2,181.3							
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%							

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

See independent auditor's report.  
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**OTHER INFORMATION (UNAUDITED)**

# LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)

## SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS AGENCY FUNDS (UNAUDITED) FORTHEYEARENDEDJUNE30,2017

	Fund Balance <u>July1,2016</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Fund Balance <u>June30,2017</u>
Basketball and Other Gate Receipts	\$ (1,991)	\$ 68	\$ -	\$ (1,923)
Cheer Fund	636	259	444	451
Child Labor Ed Action	972	-	-	972
Class of 2013	(196)	-	-	(196)
Class of 2014	756	-	505	251
Class of 2015	(1,225)	-	-	(1,225)
Class of 2016	833	-	-	833
Class of 2017	1,785	14,658	12,990	3,453
Class of 2018	570	6,685	2,554	4,701
Class of 2019	205	4,195	2,975	1,425
Class of 2020	106	220	-	326
Clothing Store	-	20	-	20
Drug Free/Project Graduation	3,365	200	-	3,565
ELC Student Activities	144	-	-	144
Field Trips	9	150	-	159
Fitnessgram Grant	1,298	-	1,184	114
French or Spanish Trip	(58)	-	-	(58)
Greenhouse	462	-	-	462
Home Ec Projects	967	(1,137)	(170)	-
HS. Student Council	330	1,770	1,787	313
Intensive Needs Activities	364	220	(53)	637
Interest	(89)	6	-	(83)
Iron Chef	(415)	1,378	866	97
Jr. High Drama	8,655	3,828	5,856	6,627
Leadership Project	1,272	1,479	1,460	1,291
Mind the Map	-	12,616	12,300	316
MS. Student Council	457	559	100	916
Music	5,974	-	400	5,574
PBL Film	21	-	-	21
Performing Arts Exploration	6,555	6,651	9,250	3,956
PSAT/NMSQT	(3,078)	3,132	3,642	(3,588)
Rite of Passage Trip	-	5,386	2,610	2,776
Snowboard Fund	1,788	200	260	1,728
Soccer Camp	198	-	-	198
Spain Trip 2017	-	8,433	8,433	-
Spirit Activity	(75)	1,450	950	425
Sr. High Honor Society	(260)	441	670	(489)
Thailand Trip	-	1,863	1,863	-
Theater	(1,984)	3,384	1,400	-
West River Snow Sport Club	740	-	-	740
Winter Activities	(7,412)	6,299	9,771	(10,884)
Winter Activities (Transportation)	-	5,397	2,955	2,442
Yearbook/Photography	4,631	775	1,607	3,799
Miscellaneous Fund	<u>2,153</u>	<u>-</u>	<u>-</u>	<u>2,153</u>
Total	\$ <u>28,463</u>	\$ <u>90,585</u>	\$ <u>86,609</u>	\$ <u>32,439</u>

See independent auditor's report.

## **REQUIRED REPORT**

**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**

December 20, 2017

To the Board of School Directors of  
Leland and Gray Union High School District (No. 34):

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, each major fund and the aggregate remaining fund information of Leland and Gray Union High School District (No. 34) (District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated December 20, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School District'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 the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District'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 a 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.

(Continued)

**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*** (Continued)

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School District'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.

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## LELAND AND GRAY UNION HIGH SCHOOL DISTRICT (NO. 34)

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2017

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#### Section I – Summary of Auditor's Results

##### Financial Statements

Type of independent auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?                      ☐ Yes                      ☒ No

Significant deficiency(ies) identified not  
Considered to be material weaknesses?                      ☐ Yes                      ☒ No

Noncompliance material to the financial  
statements noted?                      ☐ Yes                      ☒ No

#### Section II - Financial Statement Findings

There were no instances of material weaknesses, significant deficiencies, or noncompliance noted that are required to be reported under *Government Auditing Standards*



**Summary Schedule of Prior Year Findings**

# LELAND AND GRAY UNION HIGH SCHOOL

## Summary of Prior Year Findings

<b>Finding Reference</b>	<b>Subject Matter</b>	<b>Summary</b>	<b>Status</b>
2016 - 001	Special Education Accounts Receivable, Deferred Revenue and Accounts Payable	The District did not have adequate controls in place to ensure that all Special Education accounts receivable, deferred revenue and accounts payable are properly recorded in the appropriate fiscal year.	Matter not repeated in 2017
2016 - 002	Controls Over Student Activities Cash Receipts	The District does not have controls in place to ensure that there is reconciliation between the amounts of income that should have been collected versus what was actually collected for each fundraising event.	Matter not repeated in 2017