



P.O. Box 639  
2834 Shelburne Road  
Shelburne, VT 05482-0639

Phone: 802-985-8992  
Fax: 802-985-9442

[www.angolanoandcompany.com](http://www.angolanoandcompany.com)

March 5, 2016

Harwood Union High School  
Att: Michelle Baker, Bus. Mgr.  
340 Mad River Park, Ste. 7  
Waitsfield, VT 05673

Dear Michelle :

I have electronically forwarded the final financial statements for Harwood Union High School as of and for the year ended June 30, 2015. In addition I will be mailing you 8 bound copies. We have also sent a pdf copy to the AOE on your behalf.

If you are thinking of putting our audit report into your Town Report, auditing standards provides you with three options:

- You may include the entire audit report from page one through the last page;
- You may include pages 1 through Schedule 1;
- You can put a statement in that you were audited and that the audit is available at \_\_\_\_\_ and omit our audit report completely.

If you have any questions or need assistance, please do not hesitate to call us.

Sincerely,

*Angolano & Company*

Angolano & Company

Enclosures

Harwood Union High School  
Financial Statements  
For The Year Ended June 30, 2015

Harwood Union School District #19  
Table of Contents  
For The Year Ended June 30, 2015

		<u>Page Number</u>
--	Independent Auditors' Report	3-5
--	Management Discussion and Analysis	6
EXHIBIT I	District-Wide Statement of Net Position	7
EXHIBIT II	District-Wide Statement of Activities	8
EXHIBIT III	Combined Balance Sheet – All Fund Types – Fund Base	9-10
--	Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Funds	11
EXHIBIT IV	Combined Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Fund Types – Fund Base	12
--	Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	13
EXHIBIT V	Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund Type – Enterprise Fund – Food Program	14
EXHIBIT VI	Statement of Cash Flows – Proprietary Fund Type – Enterprise Fund – Food Program	15
EXHIBIT VII	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Private Purpose Trust Fund Components	16-17
--	Notes to the Financial Statements	18-56
 <b>REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&amp;A</b>		
Schedule 1	Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	57-84

Harwood Union School District #19  
Table of Contents (continued)  
For The Year Ended June 30, 2015

		<u>Page Number</u>
Schedule 2	Combining Balance Sheet – Special Revenue Fund Components	85-88
Schedule 3	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Special Revenue Fund Components	89-92
Schedule 4	Combining Balance Sheet – Capital Project Fund Components	93
Schedule 5	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Capital Project Fund Components	94
Schedule 6	Combining Balance Sheet – Permanent Fund Components	95
Schedule 7	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Permanent Fund Components	96
Schedule 8	Statement of Changes in Assets and Liabilities – Fiduciary Fund Type – Agency Fund	97
Schedule 9	Combining Balance Sheet – Fiduciary Fund Type – Private Purpose Trust Fund Components	98
--	Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	99-100



P.O. Box 639  
2834 Shelburne Road  
Shelburne, VT 05482-0639

Phone: 802-985-8992  
Fax: 802-985-9442

[www.angolanoandcompany.com](http://www.angolanoandcompany.com)

## INDEPENDENT AUDITOR'S REPORT

To the School Board  
Harwood Union School District #19, Vermont

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, and the aggregate remaining fund information of Harwood Union School District #19, Vermont, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant

accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, and the aggregate remaining fund information of the Harwood Union School District #19, Vermont, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Harwood Union School District #19, Vermont's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 29, 2016, on our consideration of the Harwood Union School District #19, Vermont's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Harwood Union School District #19, Vermont's internal control over financial reporting and compliance.

### ***Angolano & Company***

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

February 29, 2016

HARWOOD UNION HIGH SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2015

**Introduction**

The discussion and analysis of The Harwood Union High School District's ("the District") financial performance provides a narrative introduction and overview of the school District's financial activities for the fiscal year ending June 30, 2015 (FY 15). The District is organized under the guidance of the Board of School Directors to provide public education to the member districts of Duxbury, Fayston, Moretown, Waitsfield, Warren and Waterbury. The Districts of Roxbury, Granville, Hancock and Buels Gore pay tuition to the District for those students who attend Harwood Union High School.

**Financial Highlights**

- Government-wide assets totaled \$7,757,731 and government-wide liabilities totaled \$1,795,156.
- Long-term debt totaled \$1,137,066 at year end, a decrease of \$43,475.
- The District's general fund actual revenues were \$13,419,402, while the budgeted revenues were \$12,547,626, a decrease of \$128,224 or 0.9%.
- The District's general fund actual expenditures were \$13,039,835 while the budgeted expenditures were \$13,072,599 an overage of \$32,764 or 0.25%.
- Special Revenue Funds totaling \$61,864 are held in the District's accounts for various Federal, State and Private Grants.
- The Capital Project Fund represents expenses incurred that will be funded over the long term on various projects including the Wood Chip Plant and Water System Improvements and the Maintenance Reserve Fund. The fund equity at June 30, 2015 is \$152,572.
- The Enterprise Fund represents the food program and had an ending retained earnings balance of \$106,503.
- Agency Funds totaling \$72,841 are held in the District's accounts for various student activities and projects.
- Expendable Trust Funds totaling \$6,486 are held in the District's accounts for student scholarships.
- Nonexpendable Trust Funds totaling \$88,738 are held in the District's accounts for student scholarships.

**Overview of the Financial Statements**

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



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

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

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

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

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

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

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

The District maintains four (4) governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of

Revenues, Expenditures, and Changes in Fund Equities for the General, Special Revenue, Capital Project and Debt Service. Individual fund data for the Proprietary and Fiduciary Funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found on pages 7-13.

Proprietary Funds – The District maintains proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the district-wide financial statements. The District uses an enterprise fund to account for its Food Service Program (hot lunch and breakfast) operation. The basic proprietary fund financial statements can be found on pages 14-15 of this report.

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

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18-56.

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

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

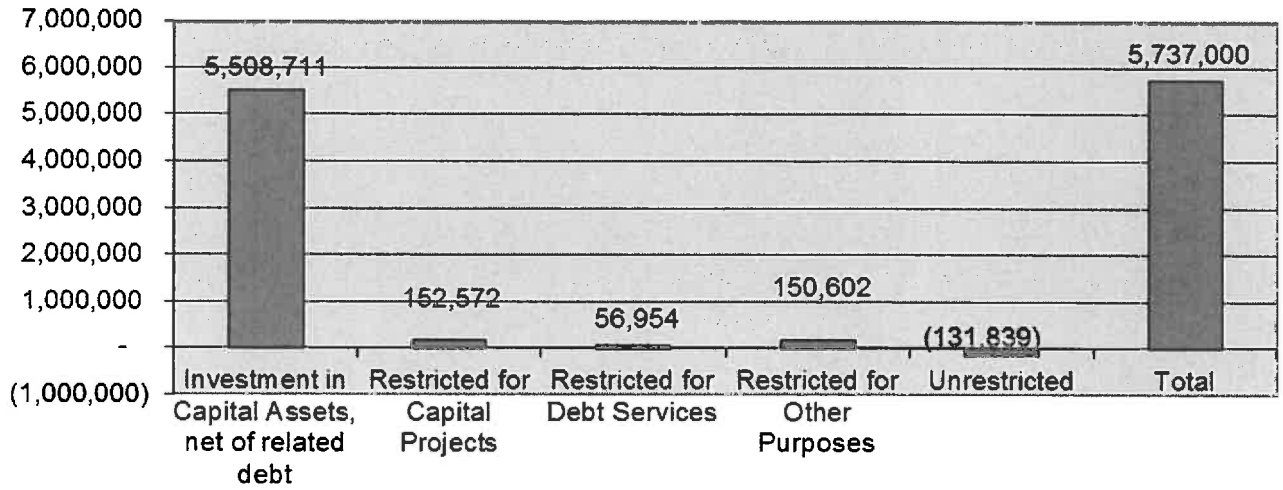
Our analysis of the District's major funds begins on Table 1. The fund financial statements provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, the District's Board of Directors establish many other funds to help them control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain grants, and other money.

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

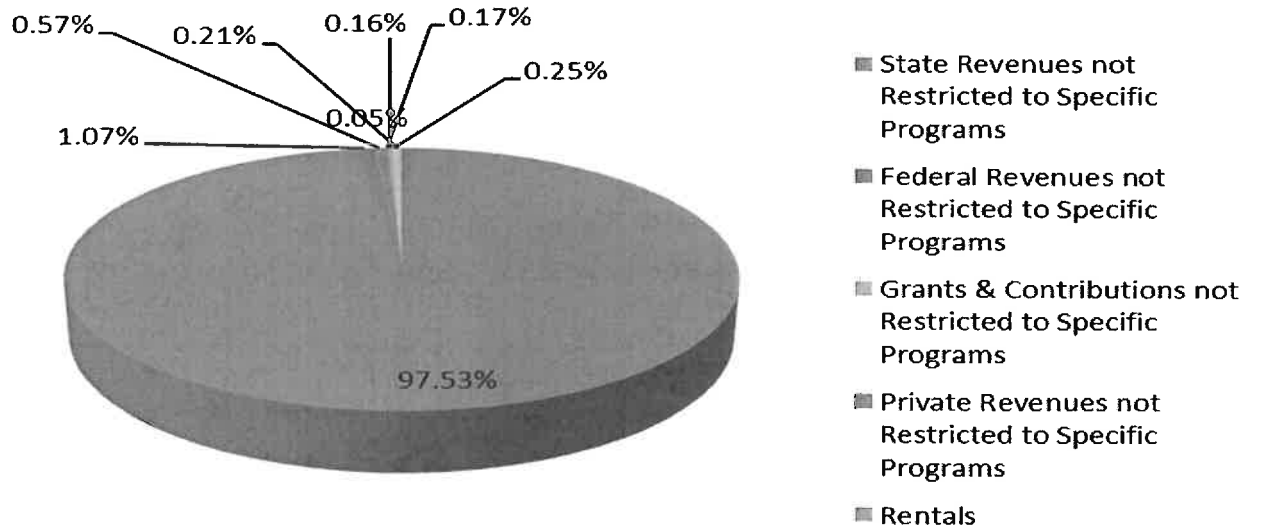
**Harwood Union High School**  
**Reconciliation of Balance Sheet to the Statement of Net Position**  
**June 30, 2015**

	Combined Balance Sheet <u>Fund Based</u>	Statement of Net Position <u>District-Wide</u>	<u>Difference</u>
<b>ASSETS</b>			
<u>Current Assets:</u>			
Cash	593,192	593,192	-
Investments	56,954	56,954	-
Prepaid Expenses			-
Due from Business Type Activities	6,738	6,738	-
Accounts Receivable:			-
State	39,894	39,894	-
Supervisory Union	229,121	229,121	-
Other LEA's			-
Other	12,018	12,018	-
Private Purpose Trust	14,430	14,430	-
<b>Total Current Assets</b>	<b>952,347</b>	<b>952,347</b>	<b>-</b>
<u>Non-current Assets:</u>			
<u>Capital Assets:</u>			
Building & Equipment, net of Accum. Depr.	-	6,805,384	(6,805,384)
<b>Total Non-current Assets</b>	<b>-</b>	<b>6,805,384</b>	<b>(6,805,384)</b>
<b>TOTAL ASSETS</b>	<b>952,347</b>	<b>7,757,731</b>	<b>(6,805,384)</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Vermont Municipal Pension - Payments after measurement date	-	59,040	59,040
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>-</b>	<b>59,040</b>	<b>59,040</b>
<b>LIABILITIES</b>			
<u>Current Liabilities:</u>			
Accounts Payable - State	94,308	94,308	-
Accounts Payable - Other	239,389	239,389	-
Accounts Payable - Other LEA's	9,905	9,905	-
Accounts Payable - Private Purpose Trust	6,134	6,134	-
Accrued Expenses	18,914	18,914	-
Net Pension Liability	-	38,080	(38,080)
Retirement Incentive Payable	-	91,793	(91,793)
Capital Leases	-	159,607	(159,607)
Current Portion of Long-Term Obligations	-	245,000	(245,000)
<b>Total Current Liabilities</b>	<b>368,650</b>	<b>903,130</b>	<b>(534,480)</b>
<u>Non-current Liabilities:</u>			
Notes Payable	-	448,066	(448,066)
Bonds Payable	-	444,000	(444,000)
<b>Total Non-current Liabilities</b>	<b>-</b>	<b>892,066</b>	<b>(892,066)</b>
<b>TOTAL LIABILITIES</b>	<b>368,650</b>	<b>1,795,196</b>	<b>(1,426,546)</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unearned Revenues	158,334	158,334	-
Vermont Municipal Pension - Change in proportional share	-	126,241	(126,241)
Vermont Municipal Pension - Change in proportional share	158,334	284,575	(126,241)
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>158,334</b>	<b>284,575</b>	<b>(126,241)</b>
<b>NET POSITION</b>			
Investment in Capital Assets, net of related Debt	-	5,508,711	(5,508,711)
Spendable	105	-	105
Unspendable	88,633	-	88,633
Restricted for Capital Projects	152,571	152,572	(1)
Restricted for Debt Services		56,954	(56,954)
Restricted for Other Purposes	144,581	150,602	(6,021)
Committed	127,668	-	127,668
Unrestricted	(88,196)	(131,839)	43,643
<b>TOTAL NET POSITION</b>	<b>425,362</b>	<b>5,737,000</b>	<b>(5,311,638)</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>425,363</b>	<b>5,737,000</b>	<b>(5,311,637)</b>

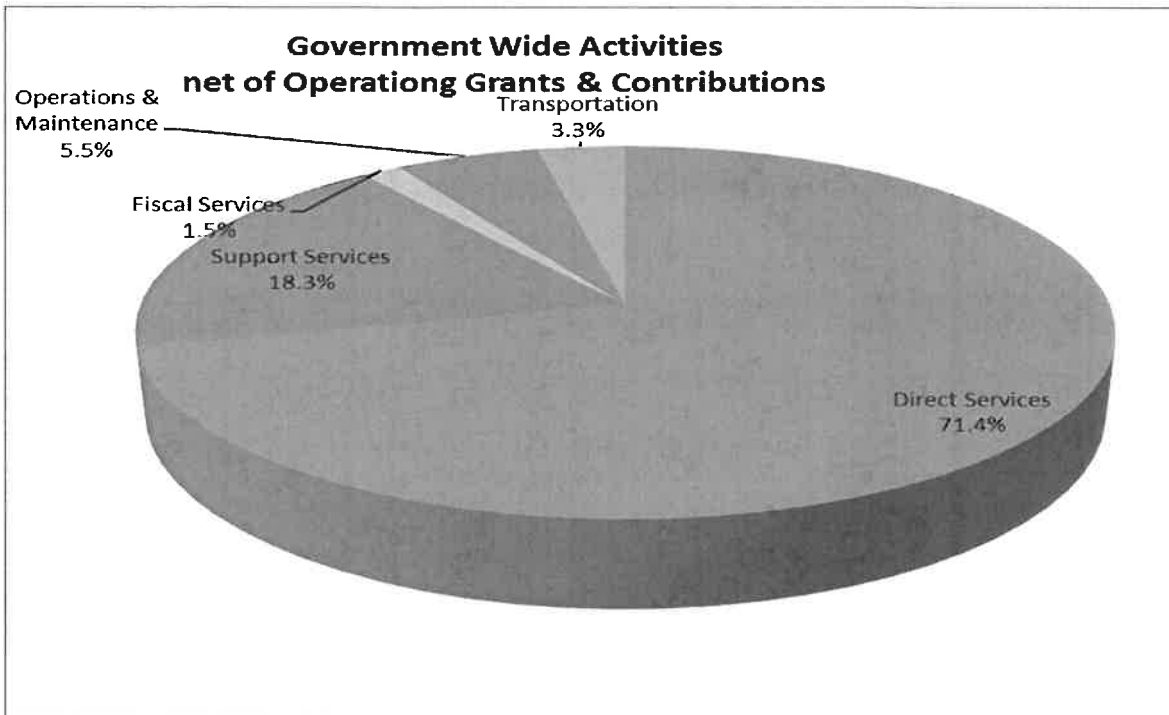
### District Wide Net Position



### Districtwide General Revenues



<u>Government-Wide Revenues</u>	<u>6/30/2015</u>
State Revenues not Restricted to Specific Programs	\$ 12,779,844
Federal Revenues not Restricted to Specific Programs	\$ 140,024
Grants & Contributions not Restricted to Specific Programs	\$ 6,173
Private Revenues not Restricted to Specific Programs	\$ 75,110
Rentals	\$ 21,920
Investment Earnings	\$ 20,314
Tuition	\$ 32,231
Miscellaneous	\$ 27,311
<b>Total</b>	<b>\$ 13,102,927</b>
Transfers	\$ (236,000)
	\$ 12,866,927



<u>Government-Wide Expenditures</u>	
Direct Services	\$ 8,944,590
Support Services	\$ 2,287,755
Fiscal Services	\$ 191,219
Operations & Maintenance	\$ 693,880
Transportation	\$ 415,746
<b>Total</b>	<b>\$ 12,533,190</b>

*Governmental Activities:*

Districtwide Activities revenues, after transfers totaled \$12,866,927 and expenses totaled \$12,533,190 resulting in an increase in net assets of \$333,737.

*Business Type Activities:*

Business Type Activities realized a decrease in net assets of \$6,397.

**Fund Financial Analysis**

	Combined Balance Sheet Fund Balance 6/30/2015	Combined Balance Sheet Fund Balance 6/30/2014	Summary of Financial Fund Balance 6/30/2013	Summary of Financial Fund Balance 6/30/2012	Summary of Financial Fund Balance 6/30/2011
<b>ASSETS</b>					
<b>Current Assets:</b>					
Cash	593,192	525,220	556,383	985,694	924,384
Investments	56,954	45,775	34,491	23,857	11,287
Prepaid Expenses	-	41,243	84,406	59,126	5,634
Accounts Receivable:					
State	39,894	383,515	767,322	969,057	1,215,316
Supervisory Union	229,121	107,626	100,647	96,838	47,193
Other LEA's	-	-	225	-	389
Other	12,018	20,036	13,892	23,465	13,486
Due from Business-Type Activities	6,737	15,187	11,808	659	-
Private Purpose Trust	14,430	-	-	-	-
<b>Total Current Assets</b>	<b>952,346</b>	<b>1,138,602</b>	<b>1,569,174</b>	<b>2,158,696</b>	<b>2,217,689</b>
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Cash Overdraft	-	-	-	-	-
Accounts Payable - State	94,308	63,519	91,863	28,680	-
Accounts Payable - Supervisory Union	239,389	108,357	-	-	15,808
Accounts Payable - Other LEA's	9,905	55,643	-	-	11,300
Accounts Payable - Other	-	-	81,619	67,049	199,466
Accounts Payable - Private Purpose Trust	6,134	-	-	-	-
Accrued Expenses	18,914	-	25,380	172,775	13,064
Deferred Revenue	158,334	186,593	204,518	192,665	185,456
Due to Other Funds	-	-	-	-	4,367
Note Payable	-	362,066	724,132	941,409	1,184,162
<b>Total Current Liabilities</b>	<b>526,984</b>	<b>776,178</b>	<b>1,127,512</b>	<b>1,402,578</b>	<b>1,613,623</b>
<b>FUND EQUITY</b>					
Investment in Capital Assets, net of related Deb Spendable	105	-	-	-	69,529
Unspendable	88,633	89,097	-	-	-
Restricted for Capital Projects	152,571	114,189	174,890	-	11,287
Restricted for Debt	-	-	34,491	23,857	-
Restricted for Other Purposes	144,581	-	352,436	34,583	312,075
Committed	127,668	117,680	-	371,484	-
Unrestricted	(88,196)	41,458	(120,155)	326,194	211,175
<b>TOTAL FUND EQUITIES</b>	<b>425,362</b>	<b>362,424</b>	<b>441,662</b>	<b>756,118</b>	<b>604,066</b>
<b>TOTAL LIABILITIES AND FUND EQUITIES</b>	<b>952,346</b>	<b>1,138,602</b>	<b>1,569,174</b>	<b>2,158,696</b>	<b>2,217,689</b>

*Proprietary Fund Type:*

Food service programs are offered to the students for hot lunch and breakfast. This program recognized a net operating loss of \$6,397 during the past year and had a net position balance of \$100,106 as of June 30, 2015.

*Fiduciary Fund Types:*

Agency funds of \$72,841 were being held at the end of the year for student activities and projects.

Expendable Trust Funds for scholarships were being held with a fund balance of \$6,486 at year end.

Nonexpendable Trust Funds for scholarships were being held with a fund balance of \$88,760 at year end, as compared to \$89,087 the prior year.

**Capital Assets**

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

Table VI summarizes the state of the District's capital assets.

TABLE VI			
<b>Harwood Union High School</b>			
<b>Capital Assets</b>			
<b>June 30, 2015</b>			
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Value</u>
<b>Governmental Activities:</b>			
Land Improvements	438,626	316,184	122,442
Buildings	2,510,412	2,370,012	140,400
Building Improvements	\$ 7,159,604	\$ 2,798,052	4,361,552
Infrastructure	\$ 1,973,844	\$ 231,068	1,742,776
Furniture and Equipment	863,295	473,954	389,341
Vehicles	95,165	46,292	48,873
<b>Total</b>	<b>\$ 13,040,946</b>	<b>\$ 6,235,562</b>	<b>\$ 6,805,384</b>
<b>Business Type Activities:</b>			
Furniture and Equipment	202,756	115,340	87,416
<b>Total</b>	<b>\$ 202,756</b>	<b>\$ 115,340</b>	<b>\$ 87,416</b>

**Long-Term Debt**

The District has one category of long-term debt, defined as debt due and payable beyond one year. At June 30, 2015, the District had \$1,137,066 in outstanding principal and interest. Bond principal and interest are being paid from the General Fund.

### *Current Issues*

- Harwood facilities are aging and it is reasonable to anticipate an increasing need for capital improvements in the coming years. A facility study has been completed and a decision to ask the voters to approve some amount of bonded indebtedness for capital improvements is currently on hold pending the Act 46 activities.
- Harwood is experiencing declining student enrollment which is projected to continue.
- Act 153/156 requires transportation, special education, compensatory and remedial services to be provided by the Supervisory Union. Special education teachers will be employed by the Supervisory Union, not the Harwood Union School District, in FY2017.
- WWSU has a merger study committee and the question of an Act 46 WWSU accelerated merger, including all WWSU school districts, is anticipated to be placed before the voters in May 2016.

### *Contact for Further Information*

This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. Questions about this report or additional financial information needs should be directed to Michelle J. Baker, Business Manager, Washington West Supervisory Union, 340 Mad River Park – Suite 7, Waitsfield, Vermont 05673 or at (802) 496-2272 ext. 117.



Harwood Union School District  
District-Wide Statement of Net Position  
June 30, 2015

EXHIBIT I

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 593,192		\$ 593,192
Investments	56,954		56,954
Due From Other Funds	6,738	\$ (6,738)	-
Accounts Receivable - State	39,894		39,894
Accounts Receivable - Supervisory Union	229,121		229,121
Accounts Receivable - Other LEAs		17,222	17,222
Accounts Receivable - Other	12,018	2,900	14,918
Accounts Receivable - Private Purpose Trust	14,430		14,430
Inventory		3,665	3,665
Capital Assets, net	<u>6,805,384</u>	<u>87,416</u>	<u>6,892,800</u>
TOTAL ASSETS	<u>7,757,731</u>	<u>104,465</u>	<u>7,862,196</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Vermont Municipal Pension - Payments after measurement date	<u>59,040</u>	<u>-</u>	<u>59,040</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>59,040</u>	<u>-</u>	<u>59,040</u>
<b>LIABILITIES</b>			
Accounts Payable - State	94,308		94,308
Accounts Payable - Other	239,389	273	239,662
Accounts Payable - Other LEAs	9,905		9,905
Accounts Payable - Private Purpose Trust	6,134		
Accrued Expenses	18,914		18,914
Net Pension Liability	38,080		38,080
Capital Leases Payable	159,607		159,607
Retirement Incentive Payable	91,793		91,793
Note Payable	448,066		448,066
Long-Term Liabilities:			
Due Within 1 Year	245,000		245,000
Due in More Than 1 Year	<u>444,000</u>	<u>-</u>	<u>444,000</u>
TOTAL LIABILITIES	<u>1,795,196</u>	<u>273</u>	<u>1,795,469</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unearned Revenues	158,334	4,086	162,420
Vermont Municipal Pension - Change in proportional share	<u>126,241</u>	<u>-</u>	<u>126,241</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>284,575</u>	<u>4,086</u>	<u>288,661</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	5,508,711	87,416	5,596,127
Restricted For:			
Capital Projects	152,572		152,572
Debt Services	56,954		56,954
Other Purposes	150,602		150,602
Unrestricted (Deficit)	<u>(131,839)</u>	<u>12,690</u>	<u>(119,149)</u>
TOTAL NET POSITION	<u>5,737,000</u>	<u>100,106</u>	<u>5,837,106</u>

The accompanying notes are an integral part of these financial statements

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

EXHIBIT II

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
Direct Services	\$ 9,998,761		\$ 1,054,171		\$ (8,944,590)		\$ (8,944,590)
Support Services:							
Student Services	1,026,027		111,063		(914,964)		(914,964)
Instructional Staff Services	455,512				(455,512)		(455,512)
General Administrative Services	343,226				(343,226)		(343,226)
Area Administrative Services	574,053				(574,053)		(574,053)
Fiscal Services	191,219				(191,219)		(191,219)
Building Operations and Maintenance	847,185		153,305		(693,880)		(693,880)
Transportation	609,876		194,130		(415,746)		(415,746)
Interest on Long-Term Debt		-	-	-	-		-
Total Governmental Activities	<u>14,045,859</u>	<u>\$ -</u>	<u>1,512,669</u>	<u>\$ -</u>	<u>(12,533,190)</u>		<u>(12,533,190)</u>
<b>Business-Type Activities:</b>							
Food Service	<u>573,370</u>	<u>515,973</u>	<u>-</u>	<u>-</u>		<u>\$ (57,397)</u>	<u>(57,397)</u>
Total Business-Type Activities	<u>573,370</u>	<u>515,973</u>	<u>-</u>	<u>-</u>		<u>(57,397)</u>	<u>(57,397)</u>
<b>General Revenues:</b>							
Tuition					32,231		32,231
State Revenues not Restricted to Specific Programs					12,779,844		12,779,844
Federal Revenues not Restricted to Specific Programs					140,024		140,024
Grants and Contributions not Restricted to Specific Programs					6,173		6,173
Private Revenues not Restricted to Specific Programs					75,110		75,110
Investment Earnings					20,314		20,314
Rentals					21,920		21,920
Miscellaneous					27,311		27,311
Transfers					<u>(236,000)</u>	<u>51,000</u>	<u>(185,000)</u>
Total General Revenues					<u>12,866,927</u>	<u>51,000</u>	<u>12,917,927</u>
<b>Change in Net Position</b>					333,737	(6,397)	327,340
<b>Net Position - Beginning of Year</b>					5,512,377	106,503	5,618,880
<b>Prior Period Adjustment</b>					<u>(109,114)</u>	<u>-</u>	<u>(109,114)</u>
<b>Net Position - Ending of Year</b>					<u>\$ 5,737,000</u>	<u>\$ 100,106</u>	<u>\$ 5,837,106</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
 Combined Balance Sheet  
 All Fund Types - Fund Base  
 June 30, 2015

EXHIBIT III

	Governmental Fund Types					Proprietary Fund Type	Fiduciary Fund Types		Totals (Memorandum Only)
	General Fund	Special Revenue Fund	Capital Projects	Other Governmental Fund	Permanent Funds	Enterprise Fund	Agency Funds	Private Purpose Trust Funds	
<b>ASSETS:</b>									
<b>Current Assets:</b>									
Cash	\$ 355,346	\$ 279	\$ 157,125		\$ 80,442		\$ 72,841	\$ 14,782	\$ 680,815
Investments				\$ 56,954					56,954
Due From Other Funds	-	198,261	4,515		8,318			6,134	217,228
Accounts Receivable - State	1,973	37,921							39,894
Accounts Receivable - Supervisory Union	184,261	44,860				\$ 14,521			243,642
Accounts Receivable - Other LEAs						2,701			2,701
Accounts Receivable - Other	11,409	609				2,900			14,918
Inventories	-	-	-	-	-	3,665	-	-	3,665
<b>Total Current Assets</b>	<b>552,989</b>	<b>281,930</b>	<b>161,640</b>	<b>56,954</b>	<b>88,760</b>	<b>23,787</b>	<b>72,841</b>	<b>20,916</b>	<b>1,259,817</b>
<b>Other Assets:</b>									
Fixed Assets - net	-	-	-	-	-	87,416	-	-	87,416
<b>Total Other Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87,416</b>	<b>-</b>	<b>-</b>	<b>87,416</b>
<b>TOTAL ASSETS</b>	<b>552,989</b>	<b>281,930</b>	<b>161,640</b>	<b>56,954</b>	<b>88,760</b>	<b>111,203</b>	<b>72,841</b>	<b>20,916</b>	<b>1,347,233</b>
<b>LIABILITIES AND FUND EQUITIES:</b>									
<b>Liabilities:</b>									
Due to Other Funds	\$ 123,892	\$ 63,078	\$ 9,068		\$ 22	\$ 6,738		\$ 14,430	\$ 217,228
Accounts Payable - State	94,308								94,308
Accounts Payable - Other LEAs	9,905								9,905
Accounts Payable - Other	238,222	1,167				273			239,662
Accrued Expenses	18,914								18,914
Deferred Revenue	2,513	155,821				4,086			162,420
Amount Held for Agency Funds	-	-	-	-	-	-	\$ 72,841	-	72,841
<b>Total Liabilities</b>	<b>487,754</b>	<b>220,066</b>	<b>9,068</b>	<b>\$ -</b>	<b>22</b>	<b>11,097</b>	<b>72,841</b>	<b>14,430</b>	<b>815,278</b>
<b>Fund Equity:</b>									
<b>Fund Balances:</b>									
Unassigned	(62,433)	(25,763)							(88,196)
Committed	127,668		152,572						280,240

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
 Combined Balance Sheet  
 All Fund Types - Fund Base  
 June 30, 2015

EXHIBIT III

	Governmental Fund Types				Proprietary	Fiduciary Fund Types		Totals (Memorandum Only)
	General Fund	Special Revenue Fund	Capital Projects	Other Governmental Fund	Permanent Funds	Enterprise Fund	Agency Funds	
Fund Equity (continued):								
Fund Balances (continued):								
Restricted		\$ 87,627		\$ 56,954			\$ 6,486	\$ 151,067
Spendable					\$ 105			105
Unspendable					88,633			88,633
Net Position	-	-	-	-	-	\$ 100,106	-	100,106
Total Fund Equities	<u>\$ 65,235</u>	<u>61,864</u>	<u>\$ 152,572</u>	<u>56,954</u>	<u>88,738</u>	<u>100,106</u>	<u>\$ -</u>	<u>531,955</u>
<b>TOTAL LIABILITIES AND FUND EQUITIES</b>	<u>\$ 552,989</u>	<u>\$ 281,930</u>	<u>\$ 161,640</u>	<u>\$ 56,954</u>	<u>\$ 88,760</u>	<u>\$ 111,203</u>	<u>\$ 72,841</u>	<u>\$ 1,347,233</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District #19  
 Reconciliation of the Balance Sheet to the Statement of Net Position  
 Governmental Funds  
 June 30, 2015

Fund Balances – total governmental funds		\$ 425,363
Amounts reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:		
Governmental capital assets		13,040,946
Less accumulated depreciation		(6,235,562)
Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:		
Deferred Outflows – VMERS		59,040
Bonds payable and contractual obligations have not been included in the governmental fund financial statements.		
Bonds Payable		(689,000)
Notes Payable		(448,066)
Capital Lease Obligations		(159,607)
Accrued liabilities have not been reflected in the governmental fund financial statements:		
Net Pension Liability		(38,080)
Deferred Inflows – VMERS		(126,241)
Retirement Incentive Payable		<u>(91,793)</u>
Net Position of Governmental Activities		<u>\$ 5,737,000</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
 Combined Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 All Governmental Fund Types - Fund Base  
 For The Year Ended June 30, 2015

EXHIBIT IV

	General Fund	Special Revenue Fund	Capital Projects	Other Governmental Funds	Permanent Funds	Totals (Memorandum Only)
<b>REVENUES:</b>						
Tuition	\$ 32,231					\$ 32,231
Investment Income	19,298		\$ 71	\$ 813	\$ 291	20,473
Unrealized Gain (Loss) on Investments				(159)		(159)
Lease Income	21,920					21,920
Donations		\$ 67,919			585	68,504
Co-Curricular Income	26,685					26,685
Miscellaneous	626					626
Private/Local/Other	46,106	183,389				229,495
State	13,132,512	387,453				13,519,965
Federal	140,024	-	-	-	-	140,024
	<u>13,419,402</u>	<u>638,761</u>	<u>71</u>	<u>654</u>	<u>876</u>	<u>14,059,764</u>
<b>TOTAL REVENUES</b>						
<b>EXPENDITURES:</b>						
Direct Services	8,820,050	298,224		475	1,235	9,119,984
Support Services:						
Students	913,179	111,063				1,024,242
Instructional Staff	535,177					535,177
General Administration	343,226					343,226
Area Administration	563,377					563,377
Fiscal Services	191,127					191,127
Operation & Maintenance of Building	948,784	153,305	156,688			1,258,777
Transportation	625,692					625,692
Debt Services	99,223	-	-	-	-	99,223
	<u>13,039,835</u>	<u>562,592</u>	<u>156,688</u>	<u>475</u>	<u>1,235</u>	<u>13,760,825</u>
<b>TOTAL EXPENDITURES</b>						
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	379,567	76,169	(156,617)	179	(359)	298,939
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers In		7,500	195,000	11,000		213,500
Transfers Out	(442,000)	(7,500)	-	-	-	(449,500)
	<u>(442,000)</u>	<u>(7,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(449,500)</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	(62,433)	76,169	38,383	11,179	(359)	62,939
<b>FUND BALANCE, JULY 1, 2014</b>	<u>127,668</u>	<u>(14,305)</u>	<u>114,189</u>	<u>45,775</u>	<u>89,097</u>	<u>362,424</u>
<b>FUND BALANCE, JUNE 30, 2015</b>	<u>\$ 65,235</u>	<u>\$ 61,864</u>	<u>\$ 152,572</u>	<u>\$ 56,954</u>	<u>\$ 88,738</u>	<u>\$ 425,363</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District #19  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of  
 Governmental Funds to the Statement of Activities  
 For The Year Ended June 30, 2015

Net Changes in fund Balances – total governmental funds	\$ 62,939
Amount reported for governmental activities in the Statement of Activities are different because:	
<p style="margin-left: 40px;">Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives:</p>	
Expenditures for capital assets	547,967
Less current year depreciation	(346,999)
<p style="margin-left: 40px;">Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p>	
Capital lease proceeds	(33,615)
Note proceeds	(214,245)
Repayment of bonds	245,000
Repayment of notes	12,720
Repayment of capital lease obligation	65,738
<p style="margin-left: 40px;">Expense reported in the Statement of Activities does not require the use of current financial resources and is therefore not reported as expenditures in governmental funds:</p>	
Deferred Outflows – VMERS Change	59,040
Net Pension Liability Change	(38,080)
Deferred Inflows – VMERS Change	(126,241)
<p style="margin-left: 40px;">Current year payments on liabilities for the voluntary exit program (early retirement, etc.) are reported as expenditures in Governmental fund financial statements and as a reduction in debt in the government-wide financial statements.</p>	
	52,107
<p style="margin-left: 40px;">Current year granting of voluntary exit programs (early retirements, etc.) are not reported as expenditures in governmental fund financial statements and are reported as an expense and debt in the government-wide financial statements.</p>	
	<u>(61,708)</u>
Change in Net Position of Governmental Funds	<u>\$ 224,623</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures  
and Changes in Net Position  
Proprietary Fund Type - Enterprise Fund  
Food Program  
For The Year Ended June 30, 2015

EXHIBIT V

Operating Revenues:		
Sales	\$ 380,723	
Miscellaneous	<u>10,055</u>	
Total Operating Revenues		\$ 390,778
Operating Expenses:		
Salaries and Benefits	359,050	
Repairs and Maintenance	5,287	
Travel and Consultant	454	
Utilities	1,365	
Food and Supplies	199,338	
Equipment	1,098	
Depreciation	<u>6,778</u>	
Total Operating Expenses		<u>573,370</u>
Operating Income (Loss)		(182,592)
Non-Operating Revenue:		
State Sources:		
Restricted Grants:		
State Match	3,764	
Child Nutrition Breakfast	561	
Child Nutrition Other	991	
Federal Sources:		
Restricted Grants:		
School Breakfast Program	18,783	
School Lunch Program	80,943	
Commodities	<u>20,153</u>	
Total Non-Operating Revenue		<u>125,195</u>
Increase (Decrease) in Net Position Before Transfers		(57,397)
Operating Transfers In (Out)		<u>51,000</u>
Increase (Decrease) in Net Position		(6,397)
Net Position, July 1, 2014		<u>106,503</u>
Net Position, June 30, 2015		<u>\$ 100,106</u>

The accompanying notes are an integral part of these financial statements



Harwood Union School District  
Statement of Cash Flows  
Proprietary Fund Type - Enterprise Fund  
Food Program  
For The Year Ended June 30, 2015

EXHIBIT VI

Cash Flows From Operating Activities:		
Received From Customers/Grantors	\$ 386,942	
Payments To Employees and Fringe Benefits	(359,050)	
Payments To Vendors and Supplies	<u>(209,397)</u>	
Net Cash Used By Operating Activities		\$ (181,505)
Cash Flows From Noncapital Financing Activities:		
State Aid Received	132,298	
Support From (To) Other Funds	<u>49,207</u>	
Net Cash Used By Noncapital Financing Activities		181,505
Cash Flows From Capital and Related Financing Activities:		
None		-
Cash Flows From Investing Activities:		
None		<u>-</u>
Net Increase (Decrease) in Cash		-
Cash, July 1, 2014		<u>-</u>
Cash, June 30, 2015		<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Used By Operating Activities:		
Cash Provided From Operating Activities:		
Operating Income (Loss)		\$ (182,592)
Adjustments to Reconcile Net Income to Cash Provided (Used) By Operating Activities:		
Depreciation	\$ 6,778	
(Increase) Decrease in Accounts Receivable - Other LEAs	(936)	
(Increase) Decrease in Accounts Receivable - Other	(2,900)	
Increase (Decrease) in Accounts Payable - Other	<u>(1,855)</u>	
Total Adjustments		<u>1,087</u>
Net Cash Provided (Used) By Operating Activities		<u>\$ (181,505)</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Fiduciary Fund Type - Private Purpose Trust Fund Components  
For The Year Ended June 30, 2015

EXHIBIT VII  
(page 1 of 2)

	Burnham Fund	Hall Award	Eunice B. Farr	Fielder Memorial	Jason Lemery Award	W. Parker Scholarship	Subtotals
REVENUES:							
Investment Income			\$ 1		\$ 2	\$ 2	\$ 5
Donations	-	\$ 500	95	-	-	-	595
TOTAL REVENUES	<u>\$ -</u>	<u>500</u>	<u>96</u>	<u>\$ -</u>	<u>2</u>	<u>2</u>	<u>600</u>
EXPENDITURES:							
Awards		1,028		51			1,079
Miscellaneous	8	-	-	-	-	-	8
TOTAL EXPENDITURES	<u>8</u>	<u>1,028</u>	<u>-</u>	<u>51</u>	<u>-</u>	<u>-</u>	<u>1,087</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(8)	(528)	96	(51)	2	2	(487)
FUND BALANCES, JULY 1, 2014	<u>360</u>	<u>528</u>	<u>934</u>	<u>51</u>	<u>1,375</u>	<u>2,142</u>	<u>5,390</u>
FUND BALANCES, JUNE 30, 2015	<u>\$ 352</u>	<u>\$ -</u>	<u>\$ 1,030</u>	<u>\$ -</u>	<u>\$ 1,377</u>	<u>\$ 2,144</u>	<u>\$ 4,903</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Fiduciary Fund Type - Private Purpose Trust Fund Components  
For The Year Ended June 30, 2015

EXHIBIT VII  
(page 2 of 2)

	Robert Reidy	Robert Koster	Hunter Wright Award	Fred LaRock Scholarship	Miscellaneous Scholarships	Subtotals	Totals
REVENUES:							
Investment Income		\$ 1	\$ 2			\$ 3	\$ 8
Donations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 3,500</u>	<u>3,500</u>	<u>4,095</u>
TOTAL REVENUES	<u>\$ -</u>	<u>1</u>	<u>2</u>	<u>\$ -</u>	<u>3,500</u>	<u>3,503</u>	<u>4,103</u>
EXPENDITURES:							
Awards	6	1,000	1,000	1,474	7,600	11,080	12,159
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8</u>
TOTAL EXPENDITURES	<u>6</u>	<u>1,000</u>	<u>1,000</u>	<u>1,474</u>	<u>7,600</u>	<u>11,080</u>	<u>12,167</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6)	(999)	(998)	(1,474)	(4,100)	(7,577)	(8,064)
FUND BALANCES, JULY 1, 2014	<u>6</u>	<u>1,266</u>	<u>2,314</u>	<u>1,474</u>	<u>4,100</u>	<u>9,160</u>	<u>14,550</u>
FUND BALANCES, JUNE 30, 2015	<u>\$ -</u>	<u>\$ 267</u>	<u>\$ 1,316</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,583</u>	<u>\$ 6,486</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District #19  
Notes to Financial Statements  
For The Year Ended June 30, 2015

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Harwood Union School District #19 ("Union School District") is organized as a public educational district under the applicable laws and regulations of the State of Vermont. It is governed by a Board of School Directors elected by registered voters of the Districts to provide public education to the residents of the member districts. Except where noted, the accounting policies conform to generally accepted accounting principles, as applicable to governmental units.

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

Reporting Entity:

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

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

Basic Financial Statements - District-wide:

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

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

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

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

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

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

**Basic Financial Statements – Fund Financial Statements:**

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

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

Governmental Fund Types:

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

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

Fund and sometimes unused balances must be returned to the grantor or the voters at the close of specified project periods.

- Capital Project Fund – The capital projects funds are required when the acquisition or construction of capital assets is financed with general obligation debt. Capital project funds are permitted to be used for accounting and reporting whenever the Union School District has financial resources that are restricted, committed, or assigned to expenditures for capital outlays for general capital assets, including purchasing or constructing any type of general capital asset.
- Debt Service Fund – The Union School District accounts for resources restricted, committed, or assigned to pay debt principal and interest. As well as accumulation of resources for the payment of principal and interest on long-term general obligation debt.
- Permanent Fund – The permanent fund is used to report resources that are legally held in trust. All resources of the fund, including any earnings or invested resources, may be used to support the organization.

Proprietary Fund Types:

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

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

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

- Agency funds are custodial in nature and do not involve measurements of results of operations.
- Private Purpose Trust Funds account for assets where both principal and interest may be expended. These are accounted for in essentially the same manner as Governmental Fund Types, using the same measurement focus and basis of accounting.

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

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

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

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

The governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are recorded when a liability is incurred except for early retirement, and compensated absences, which are recognized to the extent they have matured. When both restricted and unrestricted resources are available for use, restricted resources are used first.

Other Accounting Policies:

Cash and Cash Equivalents:

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

Interfund Receivables and Payables:

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

Transfers:

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

Deposits and Investments:

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

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

Accounts Receivable:

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

Inventory:

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

Deferred Inflows of Resources:

The Union School District recognizes differences between the receipt of funds and the recognition of revenues through the use of unearned revenue accounts. These unearned revenue accounts represent funds that will be recognized as revenues in some future period when the conditions have been met.

Capital Assets:

Capital assets, which include land, construction in progress, buildings, improvements, furniture, equipment, infrastructure, and vehicles, are reported in the applicable governmental activities column in the governmental wide financial statements. Capital assets are defined by the Union School District as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year (categories of assets are depreciated over the following lives; land improvements 10-40 years, buildings 25-50 years, building improvements 10-50 years, infrastructure 10-50 years, furniture & equipment 3-20 years, and vehicles 3-15years). Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets, except for land and construction in progress are depreciated using the straight line method over the estimated useful lives with a full year of depreciation taken in the year acquired and none taken in the year of disposal. Land and construction in progress are not depreciated.

Long-term Obligations:

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



Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

Pensions :

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

*VMERS.* Employees of the District are provided with pensions through the Vermont Municipal Employees' Retirement System (VMERS) – a cost-sharing multiple employer defined benefit pension plan administered by a board of five trustees, known as the Retirement Board. Vermont Statutes Annotated title 24 Section 5062 grants the responsibility for the proper operation and effective provision of the Retirement System to the Retirement Board. VMERS issues a publicly available financial report that can be obtained at [www.vermonttreasurer.gov/retirement/muni - financial-reports](http://www.vermonttreasurer.gov/retirement/muni_financial-reports)

Budgetary Data:

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

The School Board with assistance from the Supervisory Union and the Union School District's Administration drafts a budget. The operating budget includes proposed expenditures by line item and the means of financing them.

The budget is adopted by the School Board for presentation to the voters as a warning or article in the annual report.

The voters vote on the total expense amount and not the individual line items at the Union School District's annual meeting or subsequent special meetings.

Encumbrances:

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration and project control in the General Fund, Special Revenue Funds, and Capital Projects Fund. Encumbrances are not liabilities and should be recorded as a reservation of fund balance at year end. For budgetary

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

purposes, appropriations lapse at fiscal year-end. The Union School District has elected to treat its encumbrances as liabilities for budgetary control purposes.

Use of Estimates:

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

Net Resources and Fund Balance:

District-wide Financial Statements:

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

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

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

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

Unrestricted – All other net positions that do not meet the definition of “Restricted For Other Purposes” or “Net Investment in Capital Assets, net of Related Debt”.

Fund Based Financial Statements:

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

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

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

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

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

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

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

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

Function and Object Codes:

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

Memorandum Only Columns:

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

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

Cash and cash equivalent deposits with financial institutions at June 30th amounted to \$680,815. As major revenues are received during the year bank deposits may temporarily exceed insured limits.

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

Interest Rate Risk:

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

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

Custodial Credit Risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Union School District would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

FDIC insures all accounts held by the same financial institution up to a combined total of \$250,000. There are some special provisions which increase this limit.

Concentration of Credit Risk:

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

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

These four levels of risk are as follows:

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

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

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

Balances held in each area are as follows:

	Carrying Amount	Bank Balance
- Insured (FDIC) and/or (SIPC)	\$424,717	\$ 600,548
- Category 1	256,098	2,053,767
- Category 2	0	0
- Category 3	0	0
- Category 4	<u>0</u>	<u>0</u>
Total deposits	<u>\$680,815</u>	<u>\$2,654,315</u>

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

Repurchase agreements of \$2,053,767 are securities held by the bank's trust department or agent in the Union School District's name. Securities consist of municipal bonds, U.S. Government obligations and U.S. Government Agency Bonds.

**NOTE 3 – INVESTMENTS**

Concentration of Credit Risk:

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

Custodial Credit Risk:

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

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

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 3 – INVESTMENTS (CONTINUED)**

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

**Credit Risk:**

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

	Cost	Market Value
Securities held by Union School District registered to Union School District uninsured by SIPC	\$ 0	\$ 0
Insured (SIPC) and registered held by dealer/broker in Union School District's name (Book Entry)		
Money Market	215	215
U. S. Treasury Notes	56,083	56,739
Uninsured, registered held by dealer/broker in Union School District's name (Book Entry)	0	0
Insured (SIPC) unregistered held by dealer/broker	0	0
Uninsured, unregistered held by dealer/broker	<u>0</u>	<u>0</u>
TOTAL	<u>\$56,298</u>	<u>\$56,954</u>

**NOTE 4 - INTERFUND RECEIVABLES**

In compliance with GASB 1300.109 Union School District does not maintain separate bank accounts for each fund, unless it is required by law, or grant agreement. The composition of amounts due to and from other funds as of June 30, 2015 is as follows:

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

Fund Financial Statements: Receivable Fund	Payable Fund Enterprise Funds: Food Program	Amount
General Fund		<u>\$ 6,738</u>
Special Revenue Fund:		
Child Care Grant	General Fund	\$ 2,935
Medicaid	General Fund	112,991
Umatter	General Fund	500
Center Health & Living	General Fund	760
NEA Learn/Leadership Grant	General Fund	563
Air Quality Grant	General Fund	2,000
VPA Student Leadership	General Fund	941
Next Step – VT Student	General Fund	169
Co-Curr Sport Camps	General Fund	791
SAT Cont. Ed. Course	General Fund	3,051
Rowland Grant	General Fund	2,303
Music	General Fund	4,301
Athletic Fund Raiser	General Fund	10,452
Great School Partnership	General Fund	25,000
Tech Ed Tool Sale	General Fund	525
Tadejewski Estate	General Fund	496
Rowland Grant 2	General Fund	22,882
Jaieson Memorial	General Fund	1,115
Great Expectations	General Fund	100
Hall of Fame Co-Curr	General Fund	<u>6,386</u>
Total Special Revenue Fund		<u>\$198,261</u>
	Special Revenue Fund:	
General Fund	Rwanda	\$ 482
General Fund	China Program	19,082
General Fund	Tobacco Use	3,078
General Fund	Care and Custody	33,349
General Fund	Speak Out	899
General Fund	Musical	1,437
General Fund	Water Source Development	<u>4,751</u>
Total Special Revenue Fund		<u>\$ 63,078</u>

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

Fund Financial Statements:		
Receivable Fund	Payable Fund	Amount
Capital Project Fund:		
Property Acquisition	General Fund	\$ 2,698
Renovation Fund	General Fund	58
Wood Chip Project	General Fund	<u>1,759</u>
Total Capital Project Fund		<u>\$ 4,515</u>
General Fund	Capital Project Fund: Maintenance Reserve	<u>\$ 9,068</u>
Permanent Funds:		
Joshua Douglass Memorial	Private Purpose Trust Funds: Burnham Fund	\$ 5,225
Richard Wein Memorial	Burnham Fund	150
Harwood Facility	Burnham Fund	36
Kathy Mackay Award	Burnham Fund	2,227
Willis Merusi Trust	Burnham Fund	423
James Izor Memorial	Burnham Fund	43
Rebekah Scholarship	Burnham Fund	<u>214</u>
Total Permanent Fund		<u>\$ 8,318</u>
Private Purpose Trust Funds:		
Eunice Farr	Private Purpose Trust Funds: Burnham Fund	\$ 1,030
Robert Koster	Burnham Fund	267
W. Parker	Burnham Fund	2,144
Jason Lemery	Burnham Fund	1,377
Hunter Wright Award	Burnham Fund	<u>1,316</u>
Total Private Purpose Trust Fund		<u>\$ 6,134</u>
Burnham Fund	Permanent Fund: Warren Howland	<u>\$ 22</u>
Government -Wide Financial Statements:		
Receivable Fund	Payable Fund	Amount
Governmental Type	Business Type	\$ 6,738
Governmental Type	Private Purpose Trust	<u>8,320</u>
Total		<u>\$ 15,058</u>



Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 5 – CAPITAL ASSETS**

Capital activity for the Union School District for the year ended June 30, 2015 was as follows:

	<u>Primary Government</u>			
	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets being depreciated:				
Land Improvements	\$ 319,582	\$119,044	\$ 0	\$ 438,626
Buildings	2,510,412	0	0	2,510,412
Building Improvements	7,138,254	21,350	0	7,159,604
Infrastructure	1,700,074	273,770	0	1,973,844
Furniture and Equipment	729,492	133,803	0	863,295
Vehicles	<u>95,165</u>	<u>0</u>	<u>0</u>	<u>95,165</u>
Total other capital assets at historical costs	<u>12,492,979</u>	<u>547,967</u>	<u>0</u>	<u>13,040,946</u>
Less accumulated depreciation:				
Land Improvements	294,252	21,932	0	316,184
Buildings	2,319,801	50,211	0	2,370,012
Building Improvements	2,653,457	144,595	0	2,798,052
Infrastructure	191,592	39,476	0	231,068
Furniture and Equipment	391,315	82,639	0	473,954
Vehicles	<u>38,146</u>	<u>8,146</u>	<u>0</u>	<u>46,292</u>
Total accum. Depr.	<u>5,888,563</u>	<u>346,999</u>	<u>0</u>	<u>6,235,562</u>
Governmental activities Capital Assets, Net	<u>\$ 6,604,416</u>	<u>\$200,968</u>	<u>\$ 0</u>	<u>\$ 6,805,384</u>
Business -type activities:				
Furniture and Equipment	\$ 202,756	\$ 0	\$ 0	\$ 202,756
Less accum. Depr.	<u>108,562</u>	<u>6,778</u>	<u>0</u>	<u>115,340</u>
Business -type activities Capital Assets, Net	<u>\$ 94,194</u>	<u>\$ (6,778)</u>	<u>\$ 0</u>	<u>\$ 87,416</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
Direct Services	\$225,288
Support Services:	
Students	1,579
Instructional Staff	20,523

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

Support Services (continued):	
General Administration	\$ 0
Area Administration	13,451
Fiscal Services	92
Operation and Maintenance of Plant	80,532
Transportation	5,534
Other Support Services	<u>0</u>
Total governmental activities depreciation expense	<u>\$346,999</u>

**NOTE 6 – SHORT-TERM DEBT**

Short-term debt activity consisted of the following for the year ended June 30, 2015:

	Balance July 1, 2014	Borrowings	Retirements	Balance June 30, 2015
Revenue Anticipation Note, issued July 1, 2014. Interest at 1.24 %, due June 30, 2015.	\$ <u>0</u>	\$ <u>1,300,000</u>	\$ <u>1,300,000</u>	\$ <u>0</u>

**NOTE 7 - UNEARNED REVENUE (DEFERRED INFLOWS)**

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

Federal funds	\$ 0
State funds	169
Other funds	<u>162,251</u>
Total unearned revenues	<u>\$162,420</u>

**NOTE 8 - SICK LEAVE**

It is the Union School District's policy to permit employees to earn varying amounts of sick pay benefits. Such sick leave benefits do not vest under the Union School District's policy, accordingly benefits must be used during employment. Since the employees' accumulating rights to receive compensation for future absences are contingent upon the absences being

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 8 - SICK LEAVE (CONTINUED)**

caused by future illnesses and such amounts cannot be reasonably estimated, a liability for unused sick leave is not recorded in the financial statements.

Teaching staff shall earn 20 sick days per year, and may accumulate a maximum of 90 days. Teachers who already had in excess of 90 days as of July 1<sup>st</sup>, 2005, shall be entitled to a maximum of 150 days.

Full-year non-teaching staff shall be entitled to twelve (12) paid sick days per year, and may accumulate a maximum of 90 days. Partial-year non-teaching staff shall be entitled to ten (10) paid sick days per year, and may accumulated a maximum of 90 days. Employees who were employed on July 1, 2006, and who had in excess of 90 days on June 30, 2010, shall retain those days up to a maximum of 150 days.

**NOTE 9 – OPEB AND TERMINATION BENEFITS**

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

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

Any teacher, or his/her beneficiary upon death of the teacher, who retires from the Union School District after at least 20 years of continuous employment, shall be paid up to a maximum of 45 days of his/her accumulated sick days at their daily per diem rate of compensation being received at the time of retirement. Any such payment shall be received before the end of the fiscal year in which the teacher retires. Because such pay is made before the end of the fiscal year, no such contingent liability need be calculated. As of June 30, 2015, six new employees retired and took this incentive for a total actual liability of \$107,863.

From time to time the School Board may desire to offer an early retirement incentive to teachers. The decision to offer such an incentive is at the Board's discretion on an annual basis. An incentive was offered by the Board for FY 15 to any teacher who worked at least twenty (20) years in the District. Any teacher who wished to take the incentive needed to notify the Supervisory Union by December 20, 2014. Five teachers elected to take it. In addition to being paid for up to 45 sick days (payment received in FY15) at the employee's FY15 per diem rate,

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 9 – OPEB AND TERMINATION BENEFITS (CONTINUED)**

the employee was to receive an additional thirty (30) days per diem severance amount to be paid in the 2 years following retirement. Besides the five new retiring employees, there are still five other employees still receiving a similar incentive that was offered in FY 14. The total future liability to the Union School District for these retirement incentives is as follows;

For the year ended June 30, 2016	\$60,938
2017	<u>30,854</u>
Total	<u>\$91,792</u>

**NOTE 10 - LONG-TERM OBLIGATIONS**

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

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

	Balance July 1, 2014	Borrowings	Retiremen ts	Balance June 30, 2015
<b>BONDS:</b>				
Vermont Municipal Bond Bank, Bond Payable, interest at 5.992% interest paid semi-annually, principle of \$250,000 due on December 1 <sup>st</sup> of each year until 2014, then \$245,000 due on December 1 <sup>st</sup> of each year until 2016; originally borrowed \$4,985,000 on July 21, 1996, for an addition.	\$ 735,000	\$ 0	\$245,000	\$ 490,000
Merchants Bank Qualified School Construction Bond, interest paid annually into a Bond Sinking Fund, interest rate of 1% annually on the				

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 10 - LONG-TERM OBLIGATIONS (CONTINUED)**

	Balance July 1, 2014	Borrowings	Retirements	Balance June 30, 2015
Fund's balance paid into the Fund. The District will make 17 Sinking Fund deposits, the first 16 of \$11,000 from March 1, 2011, until March 1, 2027; such deposits to be used to pay the \$199,000 principle of the Bond due at maturity.	<u>\$ 199,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 199,000</u>
TOTAL BONDS	<u>\$ 934,000</u>	<u>\$ 0</u>	<u>\$245,000</u>	<u>\$ 689,000</u>

NOTES:

Merchants Bank, Expense Note Payable, Interest at 1.85%, interest and principle of \$3,785 due annually on February 15, 2015 and 2016; originally borrowed \$7,570 on January 29, 2014, for an automobile	\$ 7,359	\$ 0	\$ 3,642	\$ 3,717
--	----------	------	----------	----------

Vermont Environmental Protection Agency Drinking Water State Revolving Fund Note Payable (Engineering Phase), interest at 1.00% and administration fee at 2.00% paid annually, total principal & interest of \$3,256.60 paid annually starting in November 2012 until November 2031; originally approved to borrow \$80,750 on December 2, 2009. They received \$25,000 debt forgiveness from the State of Vermont.	44,790	0	1,913	42,877
--	--------	---	-------	--------

Vermont Environmental Protection  
Agency Drinking Water State  
Revolving Balance Fund Note Payable  
(Construction Phase), interest at 1.00%

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 10 - LONG-TERM OBLIGATIONS (CONTINUED)**

	Balance July 1, 2014	Borrowings	Retirements	Balance June 30, 2015
<p>and administration fee at 2.00% paid annually, principal &amp; interest of \$4,169.22 due on September 1st of each year from 2012 until 2031; originally approved to borrow \$101,029 in January 2010, increased to \$144,250 on December 14, 2011. Of this amount, \$82,222.50 was forgiven under ARRA loan subsidy.</p>	\$ 57,341	\$ 0	\$ 2,449	\$ 54,892
<p>Vermont Environmental Protection Agency Drinking Water State Revolving Balance Fund Note Payable (Construction Phase), interest at 1.00% and administration fee at 2.00% paid annually, principal ranging from \$1,861 to \$3,263 due on September 1st of each year from 2013 until 2032; originally approved to borrow \$50,000 on July 6th 2011 for a water tank removal project. They received \$25,000 from the State of Vermont for debt forgiveness.</p>	48,139	0	25,028	23,111
<p>Vermont Environmental Protection Agency Drinking Water State Revolving Balance Fund Note Payable, interest free; originally approved to borrow \$28,430 in December 2012, amended to \$48,560 on April 25, 2013, and amended again on December 4, 2013, to \$106,613 for the planning phase of water well drilling and pump testing project. Some State of Vermont forgiveness expected, but not approved yet. This loan is expected to be rolled</p>				

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 10 - LONG-TERM OBLIGATIONS (CONTINUED)**

	Balance July 1, 2014	Borrowings	Retirements	Balance June 30, 2015
into the construction phase loan of the project noted just below to bring the total loan to \$323,469.	88,912	17,701	106,673	0
Vermont Environmental Protection Agency Drinking Water State Revolving Balance Fund Note Payable, interest rate and repayment terms unknown at this point; approved to borrow up to \$323,469 for the construction phase of water well drilling and pump testing project. Of this \$323,469, \$88,912 is the planning phase loan noted above being rolled into the loan and \$213,856 the construction phase piece.	<u>\$ 0</u>	<u>\$323,469</u>	<u>\$ 0</u>	<u>\$ 323,469</u>
TOTAL NOTES	<u>\$ 246,541</u>	<u>\$341,170</u>	<u>\$139,645</u>	<u>\$ 448,066</u>
Total Bonds and Notes	<u>\$1,180,541</u>	<u>\$341,170</u>	<u>\$384,645</u>	<u>\$1,137,066</u>

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

	Principal	Interest	Total
During the year ended June 30, 2016	\$ 254,196	\$ 6,522	\$ 260,718
2017	262,682	8,434	271,116
2018	18,213	15,204	33,417
2019	18,759	14,159	32,918
2020	19,322	13,506	32,828
2021-2025	105,660	58,514	164,174
2026-2030	321,491	35,733	357,224
2031-2035	115,635	12,886	128,521
2036-2040	<u>21,108</u>	<u>633</u>	<u>21,741</u>
Totals	<u>\$1,137,066</u>	<u>\$165,591</u>	<u>\$1,302,657</u>

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 10 - LONG-TERM OBLIGATIONS (CONTINUED)**

The following is a summary of other long term obligation:

	Balance July 1, 2014	Increases	Retirements	Balance June 30, 2015
<b>OTHER LONG-TERM OBLIGATIONS:</b>				
Obligations Under Capital Lease	<u>\$191,730</u>	<u>\$33,615</u>	<u>\$65,738</u>	<u>\$159,607</u>
OPEB and Termination Benefits	<u>\$ 82,192</u>	<u>\$61,708</u>	<u>\$52,107</u>	<u>\$ 91,793</u>

**NOTE 11 - CAPITAL LEASES**

On June 24, 2013, the Harwood Union School District #19 entered into a non-cancellable lease agreement with Gorham Leasing Group for the lease of an upgraded phone system. This lease agreement qualifies as a capital lease, for accounting purposes and thus, has been recorded at the present value of the future minimum lease payments at the inception of the lease in the general long-term debt account group. The total amount due is \$74,120, to be paid in yearly installments of \$18,530 over 4 years with a buyout at the end of \$1.

The future minimum lease obligations and the net present value of these minimum lease payments are as follows:

During the year ended June 30 2016	\$18,530
2017	18,530
Thereafter	<u>0</u>
Total minimum lease payments	37,060
Less amount representing interest	<u>1,999</u>
Present value of minimum lease payments	<u>\$35,061</u>

Interest rate on the capitalized lease is approximately 3.771 percent.

On July 31, 2013, the Harwood Union School District #19 entered into a non-cancellable lease agreement with Top Floor Computer Solutions & HP Financial Services, Inc. for the lease of learning labs, computers and related accessories. This lease agreement qualifies as a capital lease, for accounting purposes and thus, has been recorded at the present value of the future minimum lease payments at the inception of the lease in the general long-term debt account



Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 11 - CAPITAL LEASES (CONTINUED)**

group. The total amount due is \$106,222.44, to be paid in yearly installments of \$26,555.61 over 4 years with a buyout at the end of \$1.

The future minimum lease obligations and the net present value of these minimum lease payments are as follows:

During the year ended June 30, 2016	\$26,556
2017	26,555
Thereafter	<u>0</u>
Total minimum lease payments	53,111
Less amount representing interest	<u>3,146</u>
Present value of minimum lease payments	<u>\$49,965</u>

Interest rate on the capitalized lease is approximately 4.17 percent.

On July 1, 2013, the Harwood Union School District #19 entered into a non-cancellable lease agreement with GE Capital Inc. for the lease of learnings labs, Apple computers and related accessories. This lease agreement qualifies as a capital lease, for accounting purposes and thus, has been recorded at the present value of the future minimum lease payments at the inception of the lease in the general long-term debt account group. The total amount due is \$46,591, to be paid in yearly installments of \$15,530 over 3 years with a buyout at the end of \$1.

The future minimum lease obligations and the net present value of these minimum lease payments are as follows:

During the year ended June 30, 2016	\$15,531
Thereafter	<u>0</u>
Total minimum lease payments	15,531
Less amount representing interest	<u>1,034</u>
Present value of minimum lease payments	<u>\$14,497</u>

Interest rate on the capitalized lease is approximately 7.13 percent.

In December 2013, the Harwood Union School District #19 entered into a non-cancellable lease agreement with Ford Motor Credit, Inc. for the lease of a truck. This lease agreement qualifies as a capital lease, for accounting purposes and thus, has been recorded at the present value of the future minimum lease payments at the inception of the lease in the general long-term debt

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 11 - CAPITAL LEASES (CONTINUED)**

account group. The total amount due is \$57,707, to be paid in yearly installments of \$14,427 over 4 years with a buyout at the end of \$1.

The future minimum lease obligations and the net present value of these minimum lease payments are as follows:

During the year ended June 30, 2016	\$14,427
2017	14,427
Thereafter	<u>0</u>
Total minimum lease payments	28,854
Less amount representing interest	<u>2,385</u>
Present value of minimum lease payments	<u>\$26,469</u>

Interest rate on the capitalized lease is approximately 5.95 percent.

On February 23, 2015, the Harwood Union School District #19 entered into a noncancellable lease agreement with TCF Equipment Finance for the lease of a Toro Groundmaster mower. This lease agreement qualifies as a capital lease, for accounting purposes and thus, has been recorded at the present value of the future minimum lease payments at the inception of the lease in the general long-term debt account group. The total amount due is \$34,866, to be paid in yearly installments of \$11,622 over 3 years with a buyout at the end of \$1.

The future minimum lease obligations and the net present value of these minimum lease payments are as follows:

During the year ended June 30, 2016	\$11,622
2017	<u>11,622</u>
Total minimum lease payments	23,244
Less amount representing interest	<u>1,155</u>
Present value of minimum lease payments	<u>\$22,089</u>

Interest rate on the capitalized lease is approximately 3.413 percent.

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

Restricted, committed and assigned fund balances represent amounts that must be used for specific purposes within that fund and cannot be spent otherwise without prior approval of

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

funding source. A more detailed explanation is provided in Note 1. Reservations at year end are for the following:

General Fund:

For Fiscal Year 15-16	<u>\$127,668</u>
-----------------------	------------------

Special Revenue Funds:

Child Care Grant	\$ 2,935
Air Quality Grant	2,000
Care & Custody	3,405
Tadejewski Estate	496
Tobacco Use	1,424
SAT Cont. Ed Course	3,051
Center for Health & Learning	760
VPA Standard Leadership Project	941
NEA/Learn Leadership Grant	563
Music	4,301
Athletic Fund Raiser	10,452
Tech Ed Tool Sale	525
Hall of Fame Co-Curr	6,386
Co-Curr Sport Camps	791
Rowland Grant	22,882
Umatter	500
Jamieson Memorial	1,115
Great Expectation Grant	100
Great School Partnership	<u>25,000</u>
Total	<u>\$ 87,627</u>

Capital Projects Fund:

Property Acquisition	\$ 2,698
Renovation Fund	58
Maintenance Reserve	148,057
Wood Chip Project	<u>1,759</u>
Total	<u>\$152,572</u>

Other Governmental Fund:

Bond Sinking Fund	<u>\$ 56,954</u>
-------------------	------------------

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

Permanent Fund:	
Awards and Scholarships	<u>\$ 88,738</u>
Private Purpose Trust Funds:	
Awards and Scholarships	<u>\$ 6,485</u>

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

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

Net Resources Restricted For Capital Projects:	
Property Acquisition	\$ 2,698
Renovation Fund	58
Maintenance Reserve	148,057
Wood Chip Project	<u>1,759</u>
Total	<u>\$152,572</u>
Net Resources Restricted For Debt Service:	
Bond Sinking Fund	<u>\$ 56,954</u>
Net Resources Restricted For Other Purposes:	
For Fiscal Year 15-16	\$127,668
Awards and Scholarships	88,738
Child Care Grant	2,935
Air Quality Grant	2,000
Care & Custody	3,405
Tadejewski Estate	496
Tobacco Use	1,424
SAT Cont. Ed Course	3,051
Center for Health & Learning	760
VPA Standard Leadership Project	941
NEA/Learn Leadership Grant	563
Music	4,301
Athletic Fund Raiser	10,452

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

Net Resources Restricted For Other Purposes (continued):

Tech Ed Tool Sale	\$ 525
Hall of Fame Co-Curr	6,386
Co-Curr Sport Camps	791
Rowland Grant	22,882
Umatter	500
Jamieson Memorial	1,115
Great Expectation Grant	100
Great School Partnership	<u>25,000</u>
Total	<u>\$304,033</u>

**NOTE 14 – TRANSFERS IN THE FUND BASED FINANCIAL STATEMENTS**

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

Funds of \$11,000 were transferred from the General Fund to the Other Governmental Fund – Bond Sinking Fund as required by bond covenant.

Funds of \$195,000 were transferred from the General Fund to the Capital Project Fund – Maintenance Reserve as per article passed by voters.

Funds of \$51,000 were transferred from the General Fund to the Enterprise Fund – Food Program for the purpose of subsidizing operations.

Funds of \$7,500 were transferred from the Special Revenue Fund – Mexico Account to the Special Revenue Fund – Rwanda Fund for the purpose of closing the Mexico Account.

**NOTE 15 - PENSIONS**

**VERMONT TEACHERS’ RETIREMENT SYSTEM**

*Plan Description.* VSTR is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation administered by the Vermont State Teachers Retirement System

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 15 – PENSIONS (CONTINUED)**

VERMONT TEACHERS' RETIREMENT SYSTEM (CONTINUED)

(VSTR) that provides benefits for teaching-certified employees of participating school districts. Title 16 of the Vermont State Statutes grants the authority to establish and amend the benefit terms to the VSTR Board of Trustee. VSTR issues a publicly available financial report that can be obtained at [www.vermonttreasurer.gov/retirement/vstr-financial-reports](http://www.vermonttreasurer.gov/retirement/vstr-financial-reports).

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

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

*Contributions.* Per Vermont Statutes Annotated Title 16 Section 1944, contribution requirements of the active employees and the participating school districts are established and may be amended by the VSTR Board. Title 16 also requires the State to contribute 100 percent of school districts' contractually required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees are required to contribute 5.5% for Group A, 6% for Group C with less than 5 years of employment and 5% for Group C with more than 5 years of employment of their annual pay. The school districts' contractually required contribution rate for the year ended June 30, 2015 was 12.75 percent of annual school district payroll of which 0 percent of payroll was required from the school districts and 12.75 percent of payroll was required from the State. State contributions to the pension plan were \$684,932 for the year ended June 30, 2015.

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

At June 30, 2014, the State reported a liability of \$7,976,017 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 15 – PENSIONS (CONTINUED)**

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

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

As a result of its requirement to contribute to VSTR, the State recognized expense of \$770,077 for the year ended June 30, 2014. At June 30, 2014, the State reported deferred outflows of resources and deferred inflows of resources from the following sources as a result of its requirement to contribute to VSTR.

	<u>Deferred Outflows Of Resources</u>	<u>Deferred Inflows Of Resources</u>
Differences between expected and actual experience	\$0	\$ 0
Changes in assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	0	(779,450)
Change in proportional share	0	(36,705)
State contributions subsequent change in proportional share		
To the measurement date	<u>0</u>	<u>0</u>
Total	<u>\$0</u>	<u>\$(816,155)</u>

\$(612,458) reported as deferred outflows/inflows of resources related to pensions resulting from State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources as a result of the State’s requirement to contribute to VSTR will be recognized in expenses as follows:

Year ended June 30:	
2016	\$(208,231)
2017	(208,231)
2018	(195,996)
2019	0
2020	0
Thereafter	0

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

Inflation	3-3.25 percent
-----------	----------------

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 15 – PENSIONS (CONTINUED)**

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

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

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

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

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

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

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



Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 15 – PENSIONS (CONTINUED)**

VERMONT TEACHERS’ RETIREMENT SYSTEM (CONTINUED)

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

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

	1% Decrease <u>(7.15%)</u>	Discount Rate <u>(8.15%)</u>	1% Increase <u>(9.15%)</u>
State’s proportionate share of The net pension liability	\$10,474,993	\$7,976,017	\$5,878,289

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

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (Cost sharing pension plan)

Employees of the District are provided with pensions through the Vermont Municipal Employees’ Retirement System (VMERS) – a cost-sharing multiple employer defined benefit pension plan administered by a board of five trustees, known as the Retirement Board. Vermont Statutes Annotated title 24 Section 5062 grants the responsibility for the proper operation and effective provision of the Retirement System to the Retirement Board. VMERS issues a publicly available financial report that can be obtained at [www.vermonttreasurer.gov/retirement/muni - financial -reports](http://www.vermonttreasurer.gov/retirement/muni-financial-reports).

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 15 – PENSIONS (CONTINUED)**

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (Cost sharing pension plan) (CONTINUED)

*Benefits provided.* VMERS provides retirement, disability and death benefits. Details of benefits can be obtained at [www.vermonttreasurer.gov/retirement/muni\\_group-plans](http://www.vermonttreasurer.gov/retirement/muni_group-plans) and [www.vermonttreasurer.gov/retirement/muni\\_group-comparisons](http://www.vermonttreasurer.gov/retirement/muni_group-comparisons).

*Contributions.* Per Title 24 Chapter 125 of the Vermont Statutes, contribution requirements of the active employees and the participating School District are established and may be amended by the Retirement Board. Employees and the School District contributions vary based on group classification (Group A, B, C, or D)

	Group A	Group B	Group C	Group D
Employees' Contributions (% of gross wages)	2.5%	4.75%	9.75%	11.25%
The School District's contributions (% of gross wages)	4.0%	5.375%	7.0%	9.75%

Further information on contributions can be obtained at [www.vermonttreasurer.gov/retirement/muni\\_group-comparisons](http://www.vermonttreasurer.gov/retirement/muni_group-comparisons).

The School District's contractually required contribution rate for the year ended June 30, 2015, was the percentage of annual payroll from the above table, which is actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the School District were \$59,040 for the year ended June 30, 2015.

*Pension Liability, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions.*

At June 30, 2015, the School District reported a liability of \$38,079 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating School Districts, actuarially determined. At June 30, 2014, the School District's proportion was 0.4172 percent, which was a decrease of 0.0303 from its proportion measured as of June 30, 2013.

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 15 – PENSIONS (CONTINUED)**

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (Cost sharing pension plan) (CONTINUED)

For the year ended June 30, 2015, the School District, recognized pension expense of \$55,207. At June 30, 2015, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows Of Resources</u>	<u>Deferred Inflows Of Resources</u>
Differences between expected and actual experience	\$0	\$ 0
Changes in assumptions	0	0
Net difference between projected and actual		
Earnings on pension plan investments	0	(117,420)
Changes in proportion and differences between		
School District contributions and		
Proportionate share of contributions	0	(8,821)
School District contributions subsequent		
To the measurement date	<u>0</u>	<u>0</u>
Total	<u>\$0</u>	<u>\$(126,241)</u>

\$(101,073) reported as deferred outflows of resources related to pensions resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expenses as follows:

Year ended June 30:	
2016	\$(33,691)
2017	(33,691)
2018	(33,691)
2019	0
2020	0
Thereafter	0

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

Inflation	3-3.25 percent
Salary increases	5 percent, average, including inflation
Investment rate of return	6.25 percent, net of pension plan investment expense, Including inflation

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 15 – PENSIONS (CONTINUED)**

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (Cost sharing pension plan) (CONTINUED)

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

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

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

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

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

*Discount rate.* The discount rate used to measure the total pension liability was 8.23 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 15 – PENSIONS (CONTINUED)**

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (Cost sharing pension plan) (CONTINUED)

School Districts will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate.* The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 8.23 percent, 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-percentage -point lower (7.23 percentage) or 1-percentage -point higher (9.23 percentage) than the current rate:

	1% Decrease <u>(7.23%)</u>	Discount Rate <u>(8.23%)</u>	1% Increase <u>(9.23%)</u>
School District's proportionate share of The net pension liability	\$320,794	\$38,079	\$(199,110)

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

**NOTE 16 - RISK MANAGEMENT**

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

In addition, Harwood Union School District #19 as a member of Vermont School Boards Association (Association), participates in that entity's public entity risk pools. The Association has set up two insurance trusts; Vermont School Board Insurance Trust, Inc. (VSBIT) for

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

Workers Compensation, Multi-Line Intermunicipal School Program, and Unemployment Compensation Program, and the Vermont Education Health Initiative (VEHI) for Medical Benefits. VSBIT and VEHI are nonprofit corporations formed to provide insurance and risk management programs for Vermont school districts and are owned by the participating districts. The Trusts are not licensed insurance carriers and members are not protected by the Vermont Insurance Guaranty Association.

To provide insurance coverage, VEHI has established a self-funded fully insured program in conjunction with Blue Cross and Blue Shield (BCBS). A portion of member contributions is used to purchase reinsurance and to fund a reserve required by the reinsurance. Contributions in excess of claims requirements, reserve fund requirements, reinsurance and administrative costs are returned to participants. The pooling agreement does not permit the pool to make additional assessments to its members.

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

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

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

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

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

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

**NOTE 17 - OPERATING LEASES**

On May 15, 2013, Harwood Union School District #19 entered into a lease agreement with Leaf Corporation & Office Systems of Vermont for the lease of 5 copiers. The total amount due is \$42,603, to be paid in annual installments of \$14,201 over 3 years, with an optional maintenance agreement of \$8,580 per year. The following is a schedule of future minimum lease payments under this lease.

During the year ended June 30, 2016	\$14,201
Thereafter	<u>0</u>
Total	<u>\$14,201</u>

Total lease payments made this year under a previous lease were \$14,201.

**NOTE 18 - LESSOR CONTRACT**

On July 1, 2015, the Union School District # 19 renewed a lease agreement with First Student for the lease of a Bus Barn through June 30, 2018. The total income from this lease is \$66,763 per year to be paid in monthly installments of \$1,800 for FY16 with a 3% increase for each of the next two years. The following is a schedule of future income to be received under this lease:

During the year ended June 30, 2016	\$21,600
2017	22,248
2018	<u>22,915</u>
Total	<u>\$66,763</u>

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 19 - SUBSEQUENT EVENTS**

On July 1, 2015, the Union School District took out a Revenue Anticipation Note with the Peoples United Bank for \$1,500,000 at 1.19% interest. Any outstanding principal and interest are due at maturity on June 30, 2016.

On August 17, 2015, the Harwood Union School District #19 entered into a noncancellable lease agreement with Maurie and Cynthia Lacroix for the lease of land and a house in Moretown to be used for the Life Skills Program. The total amount due is \$21,600 to be paid in monthly installments of \$1,821 over 1 year.

The following is a schedule future minimum lease payments under this lease.

During the year ended June 30, 2016	\$18,000
2017	3,600
Thereafter	<u>0</u>
Total	<u>\$21,600</u>

Total lease payments made this year were \$0.

**NOTE 20 - COMMITMENTS**

The Union School District participates in various state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Union School District has not complied with the rules and regulations governing the grants, refunds of any money recovered may be required and the collectibility of any related receivable at June 30, 2015 may be impaired. It is the opinion of the Union School District, that there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

The Union School District is responsible for the withholding and paying over of certain payroll taxes and related items. At June 30, 2015, Union School District showed a liability for any taxes due and unpaid. These taxes are subject to audit by the State and federal government. It is the opinion of the Union School District, that there are no significant contingent liabilities relating to compliance with the rules and regulations governing these or other taxes.



Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 21 - RELATED PARTY**

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

Harwood Union School District #19 provides services to the following school and school districts:

Duxbury School District	Fayston School District
Moretown School District	Waitsfield School District
Warren School District	Waterbury School District

Each District has an ongoing financial responsibility to the Union School District as defined in GASB No. 14 paragraph 71

**NOTE 22 - CONTINGENCY**

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

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

Harwood Union School District #19  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2015

**NOTE 23 – PRIOR PERIOD ADJUSTMENT**

The net position at the beginning of the year has been adjusted by \$109,114 representing the implementation of GASB 68.

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
<b>REVENUES:</b>				
Tuition:				
Other LEAs		\$ 43,500	\$ 32,231	\$ (11,269)
Investment Income		50,000	19,298	(30,702)
Facility Fee		-	1,540	1,540
Lease Income		20,950	20,380	(570)
Co-Curricular Reimbursement		-	10,191	10,191
Sporting Fees		-	16,494	16,494
Miscellaneous		-	626	626
Private/Local:				
E-Rate Reimbursement		-	16,004	16,004
Burnham Trust		4,500	9,293	4,793
Medicaid IEP		20,809	20,809	-
State:				
Education Spending Grant		11,458,752	11,307,936	(150,816)
Technical Education		-	150,816	150,816
Technical Education - Unenrolled Students		-	5,331	5,331
Transportation Aid		194,473	194,130	(343)
Mainstream Block Grant		260,348	260,348	-
SPED Expenditures Reimbursement		1,155,989	987,333	(168,656)
Extraordinary Reimbursement		93,305	114,870	21,565
Driver Education		5,000	5,233	233
Vocational Transportation		39,000	41,593	2,593
High School Completion Grant		-	64,922	64,922
Federal:				
School Wide Program		50,000	61,821	11,821
IDEA-B		151,000	78,203	(72,797)
<b>TOTAL REVENUES</b>		<u>13,547,626</u>	<u>13,419,402</u>	<u>(128,224)</u>
<b>EXPENDITURES:</b>				
Middle School:				
Regular Instruction 1100:				
Salaries	110	63,742	54,027	9,715
Aide Salaries	115	3,354	2,673	681
Retirement/Sick Leave Salaries	116	5,896	5,881	15
Temporary Salaries	120	15,211	1,172	14,039
Health Insurance	210	12,853	10,079	2,774
Social Security	220	6,182	4,775	1,407

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Life Insurance	230	\$ 181	\$ 226	\$ (45)
Workers Compensation	250	422	1,055	(633)
Unemployment Insurance	260	245	174	71
Professional Development	270	15,000	9,017	5,983
Dental Insurance	280	169	284	(115)
Professional & Technical Services	330	1,500	-	1,500
Consulting Services	331	6,000	-	6,000
Supplies	610	<u>9,523</u>	<u>7,940</u>	<u>1,583</u>
Subtotal		<u>140,278</u>	<u>97,303</u>	<u>42,975</u>
Art Program 1102:				
Salaries	110	17,291	16,050	1,241
Health Insurance	210	4,521	3,455	1,066
Social Security	220	1,322	1,172	150
Life Insurance	230	65	87	(22)
Workers Compensation	250	148	150	(2)
Unemployment Insurance	260	188	56	132
Dental Insurance	280	186	161	25
Equipment Repair	430	2,500	2,405	95
Supplies	610	5,000	4,970	30
Books and Periodicals	640	500	-	500
Audio Visual Materials	650	500	500	-
Equipment	730	<u>1,400</u>	<u>1,249</u>	<u>151</u>
Subtotal		<u>33,621</u>	<u>30,255</u>	<u>3,366</u>
English Program 1105:				
Salaries	110	121,073	123,442	(2,369)
Health Insurance	210	32,060	32,996	(936)
Social Security	220	9,263	9,012	251
Life Insurance	230	445	596	(151)
Workers Compensation	250	1,034	1,048	(14)
Unemployment Insurance	260	188	427	(239)
Dental Insurance	280	1,122	1,068	54
Contracted Services	330	400	-	400
Equipment Repair	430	200	-	200
Field Trips	519	700	-	700
Supplies	610	654	559	95
Books and Periodicals	640	2,000	-	2,000
Equipment	730	<u>548</u>	<u>-</u>	<u>548</u>
Subtotal		<u>169,687</u>	<u>169,148</u>	<u>539</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Foreign Language Program 1106:				
Salaries	110	\$ 41,619	\$ 47,472	\$ (5,853)
Health Insurance	210	10,579	10,998	(419)
Social Security	220	3,183	3,421	(238)
Life Insurance	230	154	202	(48)
Workers Compensation	250	358	360	(2)
Unemployment Insurance	260	188	145	43
Dental Insurance	280	370	356	14
Contracted Services	330	160	1,250	(1,090)
Equipment Repair	430	20	-	20
Field Trips	519	200	-	200
Supplies	610	360	92	268
Books and Periodicals	640	510	445	65
Audio Visual Materials	650	83	49	34
Subtotal		<u>57,784</u>	<u>64,790</u>	<u>(7,006)</u>
Physical Education Program 1108:				
Salaries	110	24,777	24,777	-
Health Insurance	210	3,485	2,878	607
Social Security	220	1,895	1,856	39
Life Insurance	230	93	129	(36)
Workers Compensation	250	213	214	(1)
Unemployment Insurance	260	94	87	7
Dental Insurance	280	280	279	1
Equipment Repair	430	100	96	4
Supplies	610	179	-	179
Audio Visual Materials	650	70	-	70
Equipment	730	1,600	2,034	(434)
Dues and Subscriptions	810	24	-	24
Subtotal		<u>32,810</u>	<u>32,350</u>	<u>460</u>
Family & Consumer Science Program 1109:				
Salaries	110	37,378	37,657	(279)
Health Insurance	210	7,453	9,097	(1,644)
Social Security	220	2,860	2,743	117
Life Insurance	230	137	176	(39)
Workers Compensation	250	322	324	(2)
Unemployment Insurance	260	188	131	57
Dental Insurance	280	297	280	17
Contracted Services	330	300	-	300

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Equipment Repair	430	\$ 715	\$ 620	\$ 95
Field Trips	519	385	-	385
Supplies	610	1,660	967	693
Books and Periodicals	640	380	188	192
Audio Visual Materials	650	415	376	39
Equipment	730	-	385	(385)
Dues and Subscriptions	810	75	-	75
Subtotal		<u>52,565</u>	<u>52,944</u>	<u>(379)</u>
Industrial Arts Program 1110:				
Salaries	110	14,310	14,860	(550)
Health Insurance	210	3,425	3,560	(135)
Social Security	220	1,095	1,033	62
Life Insurance	230	54	67	(13)
Workers Compensation	250	123	124	(1)
Unemployment Insurance	260	94	50	44
Dental Insurance	280	140	147	(7)
Equipment Repair	430	110	-	110
Supplies	610	1,852	543	1,309
Books and Periodicals	640	100	-	100
Equipment	730	100	-	100
Equipment Lease	739	60	-	60
Dues and Subscriptions	810	60	-	60
Subtotal		<u>21,523</u>	<u>20,384</u>	<u>1,139</u>
Math Program 1111:				
Salaries	110	166,085	176,133	(10,048)
Health Insurance	210	27,516	32,101	(4,585)
Social Security	220	12,706	13,085	(379)
Life Insurance	230	604	772	(168)
Workers Compensation	250	1,414	1,438	(24)
Unemployment Insurance	260	282	549	(267)
Dental Insurance	280	1,402	1,453	(51)
Supplies	610	720	1,328	(608)
Books and Periodicals	640	1,430	2,332	(902)
Audio Visual Materials	650	340	-	340
Equipment	730	440	-	440
Subtotal		<u>212,939</u>	<u>229,191</u>	<u>(16,252)</u>
Music Program 1112:				
Salaries	110	42,256	43,564	(1,308)

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Health Insurance	210	\$ 13,679	\$ 13,801	\$ (122)
Social Security	220	3,233	3,025	208
Life Insurance	230	157	220	(63)
Workers Compensation	250	364	366	(2)
Unemployment Insurance	260	188	150	38
Dental Insurance	280	418	419	(1)
Field Trips	519	946	446	500
Supplies	610	1,760	1,671	89
Books and Periodicals	640	180	281	(101)
Audio Visual Materials	650	196	196	-
Equipment	730	440	440	-
Dues and Subscriptions	810	100	-	100
Subtotal		<u>63,917</u>	<u>64,579</u>	<u>(662)</u>
Science Program 1113:				
Salaries	110	119,077	138,843	(19,766)
Health Insurance	210	18,362	24,863	(6,501)
Social Security	220	9,109	10,335	(1,226)
Life Insurance	230	440	530	(90)
Workers Compensation	250	1,024	1,031	(7)
Unemployment Insurance	260	188	423	(235)
Dental Insurance	280	665	812	(147)
Equipment Repair	430	130	80	50
Supplies	610	2,002	1,652	350
Audio Visual Materials	650	1,930	-	1,930
Subtotal		<u>152,927</u>	<u>178,569</u>	<u>(25,642)</u>
Social Studies Program 1115:				
Salaries	110	138,359	137,843	516
Health Insurance	210	32,060	33,328	(1,268)
Social Security	220	10,585	9,504	1,081
Life Insurance	230	503	588	(85)
Workers Compensation	250	1,183	1,198	(15)
Unemployment Insurance	260	188	480	(292)
Dental Insurance	280	1,122	1,035	87
Field Trips	519	500	150	350
Supplies	610	398	347	51
Books and Periodicals	640	936	289	647
Audio Visual Materials	650	305	40	265
Subtotal		<u>186,139</u>	<u>184,802</u>	<u>1,337</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Alternative Programs 1150:				
Salaries	110	\$ 58,199	\$ -	\$ 58,199
Health Insurance	210	18,362	-	18,362
Social Security	220	4,452	-	4,452
Life Insurance	230	216	-	216
Workers Compensation	250	501	-	501
Unemployment Insurance	260	188	-	188
Dental Insurance	280	560	-	560
Transportation	519	2,250	-	2,250
Supplies	610	230	-	230
Books and Periodicals	640	620	-	620
Audio Visual Materials	650	250	-	250
Dues and Subscriptions	810	150	-	150
Subtotal		<u>85,978</u>	<u>-</u>	<u>85,978</u>
Special Education 1200:				
Salaries	110	155,193	153,286	1,907
Secretary Salaries	111	7,149	6,259	890
Tutor Salaries	112	-	1,320	(1,320)
Aide Salaries	115	81,156	59,895	21,261
Temporary Salaries	120	1,000	1,190	(190)
Health Insurance	210	69,350	74,321	(4,971)
Social Security	220	18,627	16,081	2,546
Life Insurance	230	1,016	932	84
Retirement	240	4,700	3,506	1,194
Workers Compensation	250	1,785	-	1,785
Unemployment Insurance	260	826	620	206
Workshops	270	-	3,044	(3,044)
Dental Insurance	280	1,923	2,172	(249)
Equipment Repair	430	100	-	100
Advertising	540	600	-	600
Tuition	561	-	68,548	(68,548)
Tuition - State	565	538,475	497,042	41,433
Travel	580	400	-	400
Supplies	610	2,000	985	1,015
Equipment	730	500	551	(51)
Subtotal		<u>884,800</u>	<u>889,752</u>	<u>(4,952)</u>
Co-Curricular Programs 1400:				
Salaries	110	24,059	24,469	(410)

The accompanying notes are an integral part of these financial statements



Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Coaching Salaries	116	\$ 30,237	\$ 34,120	\$ (3,883)
Health Insurance	210	14,992	5,332	9,660
Social Security	220	4,733	4,268	465
Life Insurance	230	475	138	337
Retirement	240	1,582	1,315	267
Workers Compensation	250	272	470	(198)
Unemployment Insurance	260	272	120	152
Dental Insurance	280	224	232	(8)
Officials	320	3,700	260	3,440
Ski Program	331	-	894	(894)
Transportation	519	6,550	5,919	631
Supplies	610	695	873	(178)
Uniforms	629	1,200	-	1,200
Equipment	730	-	389	(389)
Intramurals	732	1,000	292	708
Non-Athletics Music	934	1,113	1,113	-
Non-Athletics Administration	935	500	-	500
Partners Club	936	300	-	300
Subtotal		<u>91,904</u>	<u>80,204</u>	<u>11,700</u>
Guidance 2120:				
Support Staff Salaries	115	7,609	7,470	139
Health Insurance	210	2,834	3,069	(235)
Social Security	220	582	548	34
Life Insurance	230	34	44	(10)
Retirement	240	409	382	27
Workers Compensation	250	90	61	29
Unemployment Insurance	260	90	19	71
Dental Insurance	280	91	120	(29)
Equipment Repair	430	150	-	150
Supplies	610	543	532	11
Books and Periodicals	640	162	50	112
Audio Visual Materials	650	400	515	(115)
Dues and Subscriptions	810	165	130	35
Subtotal		<u>13,159</u>	<u>12,940</u>	<u>219</u>
Health Services 2130:				
Salaries	110	18,271	18,314	(43)
Assistant Salaries	115	-	233	(233)
Health Insurance	210	2,740	2,848	(108)

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Social Security	220	\$ 1,398	\$ 1,380	\$ 18
Life Insurance	230	67	93	(26)
Workers Compensation	250	158	158	-
Unemployment Insurance	260	146	64	82
Dental Insurance	280	122	120	2
Equipment Repair	430	50	-	50
Supplies	610	310	321	(11)
Audio Visual Materials	650	80	-	80
Dues and Subscriptions	810	56	-	56
Subtotal		<u>23,398</u>	<u>23,531</u>	<u>(133)</u>
Student Assistance Counseling 2140:				
Salaries	116	18,043	16,760	1,283
Social Security	220	-	1,282	(1,282)
Unemployment Insurance	260	-	59	(59)
Subtotal		<u>18,043</u>	<u>18,101</u>	<u>(59)</u>
SPED Student Assistance Counseling 2140:				
Student Assistance Counselor	330	25,280	-	25,280
Subtotal		<u>25,280</u>	<u>-</u>	<u>25,280</u>
Speech Language Pathologist 2150:				
Salaries	110	19,784	24,907	(5,123)
Health Insurance	210	3,425	3,550	(125)
Social Security	220	1,513	1,809	(296)
Life Insurance	230	72	91	(19)
Workers Compensation	250	170	-	170
Unemployment Insurance	260	94	70	24
Dental Insurance	280	140	134	6
Subtotal		<u>25,198</u>	<u>30,561</u>	<u>(5,363)</u>
Occupational Therapy Services 2160:				
Contract Services	330	5,168	-	5,168
Subtotal		<u>5,168</u>	<u>-</u>	<u>5,168</u>
Physical Therapy Services 2190:				
Contract Services	330	15,040	-	15,040
Subtotal		<u>15,040</u>	<u>-</u>	<u>15,040</u>
Media Center 2220:				
Salaries	110	9,911	7,001	2,910
Long-Term Substitute Salaries	110	-	2,699	(2,699)
Aide Salaries	115	2,987	3,062	(75)

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Temporary Salaries	120	\$ 147	\$ -	\$ 147
Health Insurance	210	4,178	4,419	(241)
Social Security	220	987	930	57
Life Insurance	230	54	65	(11)
Retirement	240	161	165	(4)
Workers Compensation	250	120	112	8
Unemployment Insurance	260	129	41	88
Dental Insurance	280	112	115	(3)
Equipment Repair	430	500	256	244
Supplies	610	280	-	280
Books and Periodicals	640	2,800	4,881	(2,081)
Audio Visual Materials	650	2,240	-	2,240
Dues and Subscriptions	810	100	-	100
Subtotal		<u>24,706</u>	<u>23,746</u>	<u>960</u>
Audio Visual & Technology 2223:				
Salaries	116	9,315	9,315	-
Network Coordinator Salaries	117	8,280	8,280	-
Assistant Salaries	118	3,540	5,428	(1,888)
Health Insurance	210	10,432	10,747	(315)
Social Security	220	1,617	1,604	13
Life Insurance	230	96	115	(19)
Retirement	240	1,136	1,238	(102)
Workers Compensation	250	231	183	48
Unemployment Insurance	260	230	68	162
Dental Insurance	280	182	225	(43)
Tech Contracted Services	300	2,376	2,621	(245)
Materials	430	1,160	-	1,160
Supplies	610	6,694	5,332	1,362
Testing Tools	611	200	-	200
Software/Licenses	651	1,600	2,495	(895)
Equipment	730	-	340	(340)
Equipment Replacement	731	7,960	7,290	670
Equipment 1.1	732	33,440	29,879	3,561
Server Virtualization	733	9,000	7,553	1,447
HP Lease	739	5,311	5,311	-
Apple Lease	739	3,106	3,106	-
Subtotal		<u>105,906</u>	<u>101,130</u>	<u>4,776</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Board of Education 2310:				
Salaries	110	\$ 1,577	\$ 458	\$ 1,119
Social Security	220	121	35	86
Unemployment Insurance	260	2,065	576	1,489
Board Expenses	310	700	700	-
Contract Services	330	250	207	43
Arbitration Services	350	-	63	(63)
Legal Services	360	2,660	445	2,215
Insurance	523	2,200	2,896	(696)
Advertising	540	380	260	120
Printing	550	990	-	990
Travel	580	96	-	96
Elections	590	191	-	191
Supplies	610	350	-	350
VSBA Dues	810	478	-	478
Subtotal		<u>12,058</u>	<u>5,640</u>	<u>6,418</u>
Board Treasurer 2313:				
Salaries	110	58	120	(62)
Clerk Salaries	110	20	20	-
Social Security	220	-	2	(2)
Travel	580	58	-	58
Subtotal		<u>136</u>	<u>142</u>	<u>(6)</u>
Board Auditor 2317:				
Salaries	110	36	-	36
Subtotal		<u>36</u>	<u>-</u>	<u>36</u>
Supervisory Union 2321:				
Assessment	331	61,976	61,976	-
Subtotal		<u>61,976</u>	<u>61,976</u>	<u>-</u>
Administration 2400:				
Salaries	110	40,445	43,758	(3,313)
Support Staff Salaries	111	30,874	29,845	1,029
Health Insurance	210	24,796	26,684	(1,888)
Social Security	220	5,457	5,366	91
Life Insurance	230	292	461	(169)
Retirement	240	1,659	1,528	131
Workers Compensation	250	441	617	(176)
Unemployment Insurance	260	319	192	127

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Professional Development	270	\$ 1,600	\$ -	\$ 1,600
Dental Insurance	280	703	811	(108)
Testing	330	1,000	-	1,000
Climate	340	-	264	(264)
Assembly	341	1,200	574	626
Community	342	2,000	1,829	171
Academic Enrichment	343	1,500	870	630
Facility Events	344	1,000	125	875
Initiatives	345	600	416	184
Postage	531	3,200	2,238	962
Printing	550	2,000	328	1,672
Travel	580	500	184	316
Supplies	610	4,300	3,965	335
Books and Periodicals	640	100	-	100
Equipment	730	1,500	258	1,242
Copier Lease	739	4,556	4,580	(24)
VSBA Dues	810	2,400	2,245	155
Subtotal		<u>132,442</u>	<u>127,138</u>	<u>5,304</u>
Business Manager 2521:				
Assessment	331	<u>10,360</u>	<u>10,360</u>	<u>-</u>
Subtotal		<u>10,360</u>	<u>10,360</u>	<u>-</u>
Fiscal Services 2525:				
Assessment	331	<u>23,290</u>	<u>23,290</u>	<u>-</u>
Subtotal		<u>23,290</u>	<u>23,290</u>	<u>-</u>
Board Audit 2526:				
Audit Services	370	<u>1,360</u>	<u>1,360</u>	<u>-</u>
Subtotal		<u>1,360</u>	<u>1,360</u>	<u>-</u>
Short-Term Interest 2527:				
Arbitrage Interest	830	<u>5,000</u>	<u>3,215</u>	<u>1,785</u>
Subtotal		<u>5,000</u>	<u>3,215</u>	<u>1,785</u>
Buildings/Grounds Maintenance 2600:				
Salaries	110	49,883	49,815	68
Summer Salaries	116	2,400	778	1,622
Overtime Salaries	130	-	569	(569)
Health Insurance	210	16,673	13,792	2,881
Social Security	220	3,816	3,842	(26)
Life Insurance	230	170	261	(91)

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Retirement	240	\$ 2,681	\$ 2,693	\$ (12)
Workers Compensation	250	543	289	254
Unemployment Insurance	260	545	125	420
Dental Insurance	280	184	791	(607)
Contract Services - Maintenance	300	14,801	14,352	449
Trash Removal	421	2,778	1,340	1,438
Compost	421	-	510	(510)
Snow Removal	422	2,164	2,316	(152)
Equipment Repair	430	11,850	11,162	688
Repair Materials	431	12,465	6,739	5,726
Short-Term Maintenance	432	3,000	2,008	992
Bus Barn Maintenance	433	200	324	(124)
Mower	439	2,000	2,374	(374)
Equipment Lease	440	3,800	3,706	94
Truck Lease	441	3,000	2,885	115
Long-Term Maintenance	445	4,200	3,617	583
Property Insurance	521	3,898	7,121	(3,223)
Telephone	530	8,800	5,564	3,236
Supplies	610	4,378	5,210	(832)
Electricity	622	28,000	25,151	2,849
Gas	623	-	130	(130)
Oil	624	4,000	3,465	535
Woodchips	625	10,800	11,943	(1,143)
Equipment	730	<u>2,220</u>	<u>979</u>	<u>1,241</u>
Subtotal		<u>199,249</u>	<u>183,851</u>	<u>15,398</u>
Special Education Transportation 2700:				
Contract Services	519	<u>-</u>	<u>1,492</u>	<u>(1,492)</u>
Subtotal		<u>-</u>	<u>1,492</u>	<u>(1,492)</u>
Pupil Transportation 2710:				
Contract Services	519	<u>85,573</u>	<u>84,028</u>	<u>1,545</u>
Subtotal		<u>85,573</u>	<u>84,028</u>	<u>1,545</u>
Debt Services 5100:				
Interest Charges	830	9,879	6,822	3,057
Principal Retirement	910	<u>52,456</u>	<u>52,244</u>	<u>212</u>
Subtotal		<u>62,335</u>	<u>59,066</u>	<u>3,269</u>
Total Middle School		<u>3,036,585</u>	<u>2,865,838</u>	<u>170,747</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
High School:				
Regular Instruction 1100:				
Salaries	110	\$ 87,254	\$ 76,900	\$ 10,354
Tutor Salaries	112	6,050	2,015	4,035
Education Monitor Salaries	114	-	23,322	(23,322)
Cafeteria Monitor Salaries	115	-	15	(15)
Bus Monitor Salaries	115	3,000	4,000	(1,000)
Retirement/Sick Leave Salaries	116	46,211	46,226	(15)
Temporary Salaries	120	54,829	31,862	22,967
Additional Per Diem Salaries	151	-	9,964	(9,964)
Health Insurance	210	6,849	21,271	(14,422)
Social Security	220	8,500	14,108	(5,608)
Life Insurance	230	106	239	(133)
Retirement	240	-	1,575	(1,575)
Workers Compensation	250	443	2,873	(2,430)
Unemployment Insurance	260	188	476	(288)
Professional Development	270	84,000	115,283	(31,283)
Dental Insurance	280	560	643	(83)
Professional Services	330	1,500	39,876	(38,376)
Professional Development Consultant	331	24,000	2,000	22,000
Related Services	333	1,000	-	1,000
Equipment Repair	430	564	-	564
Transportation	519	2,000	1,057	943
Tuition - In-State	565	23,220	23,753	(533)
Supplies	610	<u>24,637</u>	<u>27,968</u>	<u>(3,331)</u>
Subtotal		<u>374,911</u>	<u>445,426</u>	<u>(70,515)</u>
Drivers Education 1100:				
Salaries	110	68,761	68,762	(1)
Health Insurance	210	18,362	19,089	(727)
Social Security	220	5,260	4,967	293
Life Insurance	230	252	326	(74)
Workers Compensation	250	592	-	592
Unemployment Insurance	260	94	240	(146)
Professional Development	270	-	165	(165)
Dental Insurance	280	561	539	22
Contract Services	330	16,200	12,600	3,600
Equipment Repair	430	1,350	366	984
Tuition - Private	569	-	59,939	(59,939)
Supplies	610	500	406	94

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Gas/Oil	626	\$ 2,000	\$ 887	\$ 1,113
Books and Periodicals	640	800	(20)	820
Vehicle	739	5,000	3,932	1,068
Dues and Fees	810	225	-	225
Subtotal		<u>119,957</u>	<u>172,198</u>	<u>(52,241)</u>
Art Program 1102:				
Salaries	110	147,971	144,398	3,573
Health Insurance	210	38,909	35,934	2,975
Social Security	220	11,320	10,496	824
Life Insurance	230	540	658	(118)
Workers Compensation	250	1,252	1,281	(29)
Unemployment Insurance	260	283	503	(220)
Dental Insurance	280	1,402	1,388	14
Equipment Repair	430	8,000	7,334	666
Field Trips	519	600	-	600
Supplies	610	17,200	20,368	(3,168)
Books and Periodicals	640	1,000	379	621
Audio Visual Materials	650	1,000	755	245
Equipment	730	7,333	5,273	2,060
Dues and Fees	810	680	-	680
Subtotal		<u>237,490</u>	<u>228,767</u>	<u>8,723</u>
English Program 1105:				
Salaries	110	389,902	339,130	50,772
Substitute Salaries	120	840	-	840
Health Insurance	210	80,417	83,099	(2,682)
Social Security	220	29,827	24,061	5,766
Life Insurance	230	1,420	1,644	(224)
Workers Compensation	250	3,316	3,375	(59)
Unemployment Insurance	260	566	1,173	(607)
Dental Insurance	280	2,909	2,650	259
Contract Services	300	1,600	3,600	(2,000)
Equipment Repair	430	800	-	800
Field Trips	519	2,800	2,375	425
Supplies	610	2,615	3,756	(1,141)
Books and Periodicals	640	8,000	7,793	207
Audio Visual Materials	650	2,190	-	2,190
Subtotal		<u>527,202</u>	<u>472,656</u>	<u>54,546</u>

The accompanying notes are an integral part of these financial statements



Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Foreign Language Program 1106:				
Salaries	110	\$ 316,213	\$ 358,309	\$ (42,096)
Per Diem Salaries	110	3,750	-	3,750
Health Insurance	210	65,054	78,796	(13,742)
Social Security	220	24,190	25,787	(1,597)
Life Insurance	230	1,151	1,601	(450)
Workers Compensation	250	2,688	2,770	(82)
Unemployment Insurance	260	566	1,364	(798)
Dental Insurance	280	2,256	979	1,277
Contract Services	330	8,140	2,245	5,895
Equipment Repair	430	80	-	80
Field Trips	519	800	321	479
Supplies	610	1,440	2,441	(1,001)
Books and Periodicals	640	2,040	276	1,764
Audio Visual Materials	650	331	189	142
Subtotal		<u>428,699</u>	<u>475,078</u>	<u>(46,379)</u>
Physical Education Program 1108:				
Salaries	110	133,956	133,939	17
Health Insurance	210	10,454	17,624	(7,170)
Social Security	220	10,248	9,920	328
Life Insurance	230	489	674	(185)
Workers Compensation	250	1,133	1,160	(27)
Unemployment Insurance	260	283	468	(185)
Dental Insurance	280	1,306	1,299	7
Equipment Repair	430	400	16	384
Supplies	610	674	763	(89)
Audio Visual Materials	650	280	-	280
Equipment	730	6,431	6,708	(277)
Dues and Fees	810	96	-	96
Subtotal		<u>165,750</u>	<u>172,571</u>	<u>(6,821)</u>
Family & Consumer Science Program 1109:				
Salaries	110	106,399	106,120	279
Health Insurance	210	17,878	24,231	(6,353)
Social Security	220	8,140	7,769	371
Life Insurance	230	381	491	(110)
Workers Compensation	250	899	921	(22)
Unemployment Insurance	260	189	372	(183)
Dental Insurance	280	824	787	37

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Contract Services	330	\$ 1,200	\$ -	\$ 1,200
Equipment Repair	430	2,855	1,038	1,817
Supplies	610	6,640	5,545	1,095
Books and Periodicals	640	1,522	191	1,331
Audio Visual Materials	650	1,662	1,056	606
Equipment	730	1,540	1,835	(295)
Dues and Fees	810	301	-	301
Subtotal		<u>150,430</u>	<u>150,356</u>	<u>74</u>
Industrial Arts Program 1110:				
Salaries	110	70,987	51,929	19,058
Health Insurance	210	17,123	10,680	6,443
Social Security	220	5,430	3,677	1,753
Life Insurance	230	257	270	(13)
Workers Compensation	250	589	355	234
Unemployment Insurance	260	189	158	31
Dental Insurance	280	701	435	266
Equipment Repair	430	445	-	445
Supplies	610	7,412	6,388	1,024
Books and Periodicals	640	400	-	400
Equipment	730	400	379	21
Computer Lease	739	240	-	240
Dues and Fees	810	240	-	240
Subtotal		<u>104,413</u>	<u>74,271</u>	<u>30,142</u>
Math Program 1111:				
Salaries	110	395,258	322,226	73,032
Team Teaching Salaries	111	-	641	(641)
Substitute Salaries	120	-	38,414	(38,414)
Health Insurance	210	107,813	115,435	(7,622)
Social Security	220	30,237	26,161	4,076
Life Insurance	230	1,454	1,702	(248)
Workers Compensation	250	3,361	3,421	(60)
Unemployment Insurance	260	661	1,137	(476)
Dental Insurance	280	3,470	2,873	597
Supplies	610	2,880	5,966	(3,086)
Books and Periodicals	640	-	(100)	100
Audio Visual Materials	650	1,360	-	1,360
Equipment	730	1,760	-	1,760

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Dues and Fees	810	\$ 140	\$ -	\$ 140
Subtotal		<u>548,394</u>	<u>517,876</u>	<u>30,518</u>
Music Program 1112:				
Salaries	110	127,281	131,186	(3,905)
Health Insurance	210	38,285	38,569	(284)
Social Security	220	9,737	9,531	206
Life Insurance	230	463	556	(93)
Workers Compensation	250	1,075	1,102	(27)
Unemployment Insurance	260	283	456	(173)
Dental Insurance	280	1,169	1,061	108
Contract Services	331	2,000	1,875	125
Equipment Repair	430	4,500	4,318	182
Field Trips	519	3,784	2,703	1,081
Supplies	610	7,040	7,012	28
Books and Periodicals	640	720	605	115
Audio Visual Materials	650	784	752	32
Equipment	730	-	1,527	(1,527)
Computer Lease	739	1,771	974	797
Dues and Fees	810	438	403	35
Subtotal		<u>199,330</u>	<u>202,630</u>	<u>(3,300)</u>
Science Program 1113:				
Salaries	110	430,033	452,929	(22,896)
Health Insurance	210	82,962	96,097	(13,135)
Social Security	220	32,898	33,143	(245)
Life Insurance	230	1,572	2,089	(517)
Workers Compensation	250	3,656	3,722	(66)
Unemployment Insurance	260	660	1,523	(863)
Dental Insurance	280	3,927	3,686	241
Equipment Repair	430	520	379	141
Field Trips	519	2,600	480	2,120
Supplies	610	8,011	10,757	(2,746)
Books and Periodicals	640	7,520	311	7,209
Audio Visual Materials	650	250	-	250
Subtotal		<u>574,609</u>	<u>605,116</u>	<u>(30,507)</u>
Social Studies Program 1115:				
Salaries	110	355,098	369,979	(14,881)
Health Insurance	210	85,967	79,891	6,076
Social Security	220	27,165	27,202	(37)

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Life Insurance	230	\$ 1,290	\$ 1,714	\$ (424)
Workers Compensation	250	3,017	3,074	(57)
Unemployment Insurance	260	566	1,288	(722)
Dental Insurance	280	3,085	2,695	390
Contract Services	331	800	-	800
Field Trips	519	4,200	1,689	2,511
Supplies	610	1,592	3,193	(1,601)
Books and Periodicals	640	3,744	1,477	2,267
Audio Visual Materials	650	1,224	277	947
Dues and Fees	810	635	98	537
Subtotal		<u>488,383</u>	<u>492,577</u>	<u>(4,194)</u>
HUB Program 1150:				
Salaries	110	59,383	117,573	(58,190)
Health Insurance	210	18,362	38,208	(19,846)
Social Security	220	4,543	8,453	(3,910)
Life Insurance	230	216	578	(362)
Workers Compensation	250	501	1,026	(525)
Unemployment Insurance	260	189	411	(222)
Dental Insurance	280	560	1,080	(520)
Transportation	519	2,250	4,632	(2,382)
Supplies	610	230	803	(573)
Books and Periodicals	640	620	126	494
Equipment	730	250	-	250
Dues and Fees	810	150	-	150
Subtotal		<u>87,254</u>	<u>172,890</u>	<u>(85,636)</u>
Community Learning Center 1151:				
Salaries	110	119,501	153,549	(34,048)
Cleaning Salaries	113	3,500	3,475	25
Health Insurance	210	36,724	42,630	(5,906)
Social Security	220	9,142	11,375	(2,233)
Life Insurance	230	442	736	(294)
Retirement	240	-	187	(187)
Workers Compensation	250	1,028	1,065	(37)
Unemployment Insurance	260	203	553	(350)
Dental Insurance	280	1,122	1,272	(150)
Contract Services	330	15,200	291	14,909
Field Trips	510	815	83	732
Insurance	521	1,300	775	525

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Telephone	530	\$ 300	\$ 364	\$ (64)
Supplies	610	3,393	3,393	-
Electricity	622	1,500	2,491	(991)
Energy - Oil	624	1,500	631	869
Equipment	730	<u>1,256</u>	<u>1,747</u>	<u>(491)</u>
Subtotal		<u>196,926</u>	<u>224,617</u>	<u>(27,691)</u>
Special Education 1200:				
Salaries	110	688,159	621,359	66,800
Secretary Salaries	111	28,819	26,535	2,284
Tutor Salaries	112	40,000	47,621	(7,621)
Aide Salaries	115	260,554	264,209	(3,655)
Temporary Salaries	120	15,000	2,238	12,762
Long-Term Substitute Salaries	121	-	22,217	(22,217)
Health Insurance	210	313,478	286,802	26,676
Social Security	220	72,576	71,428	1,148
Life Insurance	230	3,888	4,318	(430)
Retirement	240	15,356	16,309	(953)
Workers Compensation	250	7,239	-	7,239
Unemployment Insurance	260	2,385	3,043	(658)
Workshops	270	-	16,772	(16,772)
Dental Insurance	280	12,611	7,794	4,817
Equipment Repair	430	4,850	-	4,850
Advertising	540	600	-	600
Travel	580	400	1,578	(1,178)
Supplies	610	8,000	11,508	(3,508)
Equipment	730	7,500	3,454	4,046
Copier Lease	739	<u>4,556</u>	<u>4,580</u>	<u>(24)</u>
Subtotal		<u>1,485,971</u>	<u>1,411,765</u>	<u>74,206</u>
School-Wide Program 1270:				
Salaries	110	-	21,873	(21,873)
Social Security	220	-	1,671	(1,671)
Life Insurance	230	-	79	(79)
Unemployment Insurance	260	-	83	(83)
Professional Services	330	<u>-</u>	<u>14,955</u>	<u>(14,955)</u>
Subtotal		<u>-</u>	<u>38,661</u>	<u>(38,661)</u>
School-Wide Program Math Lab 1280:				
Salaries	110	-	19,720	(19,720)
Health Insurance	210	-	2,142	(2,142)

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Social Security	220	\$ -	\$ 899	\$ (899)
Life Insurance	230	-	72	(72)
Unemployment Insurance	260	-	70	(70)
Vision Insurance	280	-	120	(120)
Subtotal		<u>-</u>	<u>23,023</u>	<u>(23,023)</u>
Vocational 1300:				
Salaries	110	56,501	114,714	(58,213)
Temporary Salaries	120	280	-	280
Health Insurance	210	-	3,608	(3,608)
Social Security	220	4,322	8,737	(4,415)
Life Insurance	230	206	575	(369)
Workers Compensation	250	477	-	477
Unemployment Insurance	260	94	400	(306)
Dental Insurance	280	826	745	81
Transportation	519	51,016	51,426	(410)
Tuition	569	267,003	230,477	36,526
Travel	580	1,500	385	1,115
Supplies	610	300	154	146
Books and Periodicals	640	600	-	600
Audio Visual Materials	650	700	-	700
Subtotal		<u>383,825</u>	<u>411,221</u>	<u>(27,396)</u>
Co-Curricular Programs 1400:				
Salaries	110	96,275	97,875	(1,600)
Coaching Salaries	116	138,934	135,993	2,941
Officials Salaries	119	-	2,780	(2,780)
Health Insurance	210	20,265	21,327	(1,062)
Social Security	220	17,993	17,932	61
Life Insurance	230	355	551	(196)
Retirement	240	-	5,495	(5,495)
Workers Compensation	250	828	2,036	(1,208)
Unemployment Insurance	260	189	556	(367)
Professional Development	270	1,000	195	805
Dental Insurance	280	898	894	4
Officials	320	29,540	28,427	1,113
Professional Services	350	4,200	-	4,200
Repairs and Maintenance	430	-	465	(465)
Facility Rental	440	22,200	27,610	(5,410)
Transportation	519	45,820	41,750	4,070

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Supplies	610	\$ 7,105	\$ 5,929	\$ 1,176
Uniforms	629	8,800	11,709	(2,909)
Equipment	730	900	3,755	(2,855)
Training Room Equipment	731	2,000	1,688	312
Intramurals Equipment	732	1,500	1,379	121
Dues and Fees	810	7,200	13,645	(6,445)
Athletics Security	811	-	3,527	(3,527)
Musical	929	500	500	-
Music Festival	930	410	225	185
Musical - Fall Play	931	500	-	500
Officials Activity Account	932	-	245	(245)
Music Non-Athletics	934	4,761	4,535	226
Non-Athletics	935	1,630	282	1,348
Partners Club	936	4,506	2,775	1,731
Subtotal		<u>418,309</u>	<u>434,080</u>	<u>(15,771)</u>
Student Support Services 2100:				
Salaries	116	68,559	64,505	4,054
Health Insurance	210	14,380	14,283	97
Social Security	220	5,245	4,699	546
Life Insurance	230	315	256	59
Retirement	240	3,685	3,467	218
Workers Compensation	250	189	-	189
Unemployment Insurance	260	188	183	5
Dental Insurance	280	914	44	870
Subtotal		<u>93,475</u>	<u>87,437</u>	<u>6,038</u>
Guidance Program 2120:				
Salaries	110	195,544	203,893	(8,349)
Extra Days Salaries	110	7,311	-	7,311
Support Staff Salaries	115	30,435	30,968	(533)
Health Insurance	210	43,636	57,704	(14,068)
Social Security	220	17,846	17,329	517
Life Insurance	230	847	1,105	(258)
Retirement	240	1,636	1,585	51
Workers Compensation	250	1,756	2,019	(263)
Unemployment Insurance	260	377	791	(414)
Dental Insurance	280	2,049	1,970	79
Contract Services	330	700	1,156	(456)
Equipment Repair	430	600	-	600

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Field Trips	510	\$ 500	\$ 500	\$ -
Supplies	610	2,172	3,144	(972)
Books and Periodicals	640	648	566	82
Equipment	730	1,600	1,028	572
Copier Lease	739	4,556	4,580	(24)
Dues and Fees	810	660	174	486
Subtotal		<u>312,873</u>	<u>328,512</u>	<u>(15,639)</u>
Health Services 2130:				
Salaries	110	73,082	74,561	(1,479)
Assistant Salaries	115	-	836	(836)
Health Insurance	210	10,958	11,392	(434)
Social Security	220	5,591	5,613	(22)
Life Insurance	230	269	397	(128)
Workers Compensation	250	628	633	(5)
Unemployment Insurance	260	189	255	(66)
Dental Insurance	280	490	432	58
Equipment Repair	430	193	-	193
Supplies	610	1,247	1,198	49
Audio Visual Materials	650	327	-	327
Dues and Fees	810	224	129	95
Subtotal		<u>93,198</u>	<u>95,446</u>	<u>(2,248)</u>
Student Assistance Counseling 2140:				
Salaries	116	16,761	16,760	1
Social Security	220	1,282	1,282	-
Unemployment Insurance	260	-	59	(59)
Subtotal		<u>18,043</u>	<u>18,101</u>	<u>(58)</u>
SPED Psych Services/ Counseling 2140:				
Contract Services	330	<u>167,420</u>	<u>124,587</u>	<u>42,833</u>
Subtotal		<u>167,420</u>	<u>124,587</u>	<u>42,833</u>
Home School Coordinator 2150:				
Salaries	110	15,750	15,967	(217)
Health Insurance	210	3,425	3,560	(135)
Social Security	220	1,205	1,173	32
Life Insurance	230	59	52	7
Workers Compensation	250	135	136	(1)
Unemployment Insurance	260	95	55	40

The accompanying notes are an integral part of these financial statements



Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Dental Insurance	280	\$ 140	\$ 84	\$ 56
Subtotal		<u>20,809</u>	<u>21,027</u>	<u>(218)</u>
Speech Language Pathologist 2150:				
Salaries	110	60,351	74,719	(14,368)
Health Insurance	210	10,274	10,690	(416)
Social Security	220	4,617	5,494	(877)
Life Insurance	230	219	276	(57)
Workers Compensation	250	519	-	519
Unemployment Insurance	260	94	213	(119)
Dental Insurance	280	421	405	16
Subtotal		<u>76,495</u>	<u>91,797</u>	<u>(15,302)</u>
IDEA-B Speech Language Pathologist 2151:				
Salaries	110	22,857	23,529	(672)
Social Security	220	1,749	1,009	740
Life Insurance	230	87	45	42
Workers Compensation	250	197	-	197
Unemployment Insurance	260	94	76	18
Dental Insurance	280	52	-	52
Contract Services	330	-	11,566	(11,566)
Subtotal		<u>25,036</u>	<u>36,225</u>	<u>(11,189)</u>
Occupational Therapy Services 2160:				
Contract Services	330	<u>20,672</u>	<u>18,793</u>	<u>1,879</u>
Subtotal		<u>20,672</u>	<u>18,793</u>	<u>1,879</u>
Physical Therapy Services 2190:				
Contract Services	330	<u>12,032</u>	<u>6,121</u>	<u>5,911</u>
Subtotal		<u>12,032</u>	<u>6,121</u>	<u>5,911</u>
Media Center 2220:				
Salaries	110	40,982	28,005	12,977
Long-Term Substitute Salaries	110	-	10,797	(10,797)
Aide Salaries	115	11,952	12,251	(299)
Temporary Salaries	120	666	-	666
Health Insurance	210	16,710	17,888	(1,178)
Social Security	220	4,049	3,719	330
Life Insurance	230	223	260	(37)
Retirement	240	642	659	(17)
Workers Compensation	250	436	464	(28)
Unemployment Insurance	260	188	164	24

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Dental Insurance	280	\$ 449	\$ 427	\$ 22
Equipment Repair	430	2,000	1,024	976
Supplies	610	1,120	902	218
Books and Periodicals	640	11,200	17,930	(6,730)
Audio Visual Materials	650	8,957	-	8,957
Dues and Fees	810	400	125	275
Subtotal		<u>99,974</u>	<u>94,615</u>	<u>5,359</u>
Audio Visual & Technology 2223:				
Salaries	116	37,260	37,260	-
Network Coordinator Salaries	117	33,120	33,120	-
Assistant Salaries	118	14,173	22,280	(8,107)
Health Insurance	210	41,731	42,988	(1,257)
Social Security	220	6,468	6,443	25
Life Insurance	230	386	458	(72)
Retirement	240	4,545	4,970	(425)
Workers Compensation	250	283	732	(449)
Unemployment Insurance	260	282	272	10
Dental Insurance	280	732	885	(153)
Tech Contracted Services	300	9,504	19,881	(10,377)
Materials	430	4,640	3,098	1,542
Supplies	610	26,777	3,053	23,724
Testing Tools	611	800	-	800
Software/Licenses	651	6,400	9,998	(3,598)
Equipment	730	7,450	12,420	(4,970)
Equipment Replacement	731	24,540	22,294	2,246
Equipment 1.1	732	38,930	29,780	9,150
Server Virtualization	733	36,000	32,085	3,915
HP Lease	739	21,245	21,245	-
Apple Lease	739	12,425	12,424	1
Subtotal		<u>327,691</u>	<u>315,686</u>	<u>12,005</u>
Board of Education 2310:				
Salaries	110	6,699	624	6,075
Social Security	220	512	48	464
Unemployment Insurance	260	9,000	2,299	6,701
Reimbursements	310	2,800	2,800	-
Contract Services	330	1,090	941	149
Arbitration Services	350	-	250	(250)
Legal Services	360	11,340	3,552	7,788

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Insurance	523	\$ 10,400	\$ 15,048	\$ (4,648)
Advertising	540	1,620	718	902
Printing	550	3,510	-	3,510
Travel	580	404	125	279
Elections	590	809	-	809
Supplies	610	1,800	595	1,205
VSBA Dues	810	<u>2,022</u>	<u>-</u>	<u>2,022</u>
Subtotal		<u>52,006</u>	<u>27,000</u>	<u>25,006</u>
Board Treasurer 2313:				
Salaries	110	242	480	(238)
Clerk Salaries	110	80	80	-
Social Security	220	-	6	(6)
Travel	580	<u>242</u>	<u>-</u>	<u>242</u>
Subtotal		<u>564</u>	<u>566</u>	<u>(2)</u>
Board Auditor 2317:				
Salaries	110	<u>144</u>	<u>-</u>	<u>144</u>
Subtotal		<u>144</u>	<u>-</u>	<u>144</u>
Supervisory Union 2321:				
Assessment	331	<u>247,902</u>	<u>247,902</u>	<u>-</u>
Subtotal		<u>247,902</u>	<u>247,902</u>	<u>-</u>
Administration 2400:				
Salaries	110	161,784	175,031	(13,247)
Support Staff Salaries	111	95,468	96,560	(1,092)
Health Insurance	210	56,369	65,067	(8,698)
Social Security	220	19,679	19,815	(136)
Life Insurance	230	983	1,756	(773)
Retirement	240	5,050	5,089	(39)
Workers Compensation	250	1,581	2,227	(646)
Unemployment Insurance	260	471	683	(212)
Professional Development	270	6,400	7,917	(1,517)
Dental Insurance	280	1,902	2,227	(325)
Testing	330	4,000	-	4,000
Assembly	341	2,500	3,720	(1,220)
Community	342	4,000	3,520	480
Academic Enrichment	343	1,000	1,262	(262)
Facility Events	344	4,000	1,134	2,866
Initiatives	345	1,800	64	1,736

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Field Trips	519	\$ 2,000	\$ 139	\$ 1,861
Postage	531	12,800	9,370	3,430
Printing	550	8,000	4,722	3,278
Travel	580	2,000	486	1,514
Supplies	610	17,000	16,594	406
Books and Periodicals	640	400	-	400
Equipment	730	6,218	449	5,769
Copier Lease	739	9,112	9,556	(444)
VSBA Dues	810	9,600	8,269	1,331
Mexico Trip Refund	901	-	582	(582)
Subtotal		<u>434,117</u>	<u>436,239</u>	<u>(2,122)</u>
Business Manager 2521:				
Assessment	331	<u>41,440</u>	<u>41,440</u>	-
Subtotal		<u>41,440</u>	<u>41,440</u>	-
Fiscal Services 2525:				
Assessment	331	<u>93,162</u>	<u>93,162</u>	-
Subtotal		<u>93,162</u>	<u>93,162</u>	-
Board Audit 2526:				
Audit Services	370	<u>5,440</u>	<u>5,440</u>	-
Subtotal		<u>5,440</u>	<u>5,440</u>	-
Short-Term Interest 2527:				
Arbitrage Interest	830	<u>20,000</u>	<u>12,860</u>	7,140
Subtotal		<u>20,000</u>	<u>12,860</u>	7,140
Buildings/Grounds Maintenance 2600:				
Salaries	110	199,532	205,681	(6,149)
Summer Salaries	116	4,600	4,559	41
Overtime Salaries	130	5,000	3,105	1,895
Health Insurance	210	66,693	55,161	11,532
Social Security	220	15,264	15,712	(448)
Life Insurance	230	909	1,113	(204)
Retirement	240	10,725	11,045	(320)
Workers Compensation	250	661	1,158	(497)
Unemployment Insurance	260	658	538	120
Dental Insurance	280	2,562	2,951	(389)
Contract Services - Maintenance	300	52,475	57,408	(4,933)
Trash Removal	421	11,112	5,615	5,497
Compost	421	-	2,064	(2,064)

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
Snow Removal	422	\$ 8,656	\$ 2,191	\$ 6,465
Snow Removal Tools	422	-	509	(509)
Truck/Tractor Maintenance	422	-	6,625	(6,625)
Equipment Repair	430	47,400	61,456	(14,056)
Repair Materials	431	49,860	17,358	32,502
Short-Term Maintenance	432	12,000	8,030	3,970
Bus Barn Maintenance	433	800	1,296	(496)
Mower	439	8,000	9,498	(1,498)
Equipment Lease	440	15,200	14,824	376
Truck Lease	441	12,000	11,541	459
Long-Term Maintenance	445	16,800	14,470	2,330
Property Insurance	521	30,596	28,482	2,114
Telephone	530	35,200	24,423	10,777
Supplies	610	17,512	20,875	(3,363)
Graduation	620	9,000	8,412	588
Electricity	622	112,000	100,489	11,511
Gas	623	-	520	(520)
Oil	624	16,000	13,878	2,122
Woodchips	625	43,200	48,258	(5,058)
Equipment	730	8,880	4,488	4,392
Furniture	731	4,000	1,200	2,800
Subtotal		<u>817,295</u>	<u>764,933</u>	<u>52,362</u>
Special Education Transportation 2700:				
Contract Services	519	168,749	186,190	(17,441)
Subtotal		<u>168,749</u>	<u>186,190</u>	<u>(17,441)</u>
Transportation 2710:				
Contract Services	519	342,290	353,982	(11,692)
Subtotal		<u>342,290</u>	<u>353,982</u>	<u>(11,692)</u>
Debt Services 5100:				
Interest Charges	830	39,512	27,180	12,332
Principal Retirement	910	13,822	12,977	845
Subtotal		<u>53,334</u>	<u>40,157</u>	<u>13,177</u>
Total High School		<u>10,036,014</u>	<u>10,173,997</u>	<u>(137,983)</u>
TOTAL EXPENDITURES		<u>13,072,599</u>	<u>13,039,835</u>	<u>32,764</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2015

Schedule 1

	Object	Original & Final Budget	Actual	Variance
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		\$ 475,027	\$ 379,567	\$ (95,460)
OTHER FINANCING SOURCES (USES):				
Transfer To Capital Project Fund		(195,000)	(195,000)	-
Transfer To Other Governmental Fund		(196,000)	(196,000)	-
Transfer To Enterprise Fund		<u>(20,000)</u>	<u>(51,000)</u>	<u>(31,000)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		64,027	(62,433)	(126,460)
FUND BALANCE, JULY 1, 2014		<u>(64,027)</u>	<u>127,668</u>	<u>191,695</u>
FUND BALANCE, JUNE 30, 2015		<u>\$ -</u>	<u>\$ 65,235</u>	<u>\$ 65,235</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Combining Balance Sheet  
Special Revenue Fund Components  
June 30, 2015

Schedule 2  
(page 1 of 4)

	Child Care Grant	Care & Custody	Medicaid	Umatter	China Program	Air Quality	Tobacco Use	Subtotals
<b>ASSETS:</b>								
<b>Current Assets:</b>								
Cash								\$ -
Due From Other Funds	\$ 2,935		\$ 112,991	\$ 500		\$ 2,000		118,426
Accounts Receivable - State		\$ 37,921						37,921
Accounts Receivable - Supervisory Union			40,358				\$ 4,502	44,860
Accounts Receivable - Other	-	-	-	-	-	-	-	-
Total Current Assets	<u>2,935</u>	<u>37,921</u>	<u>153,349</u>	<u>500</u>	<u>\$ -</u>	<u>2,000</u>	<u>4,502</u>	<u>201,207</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,935</u></b>	<b><u>\$ 37,921</u></b>	<b><u>\$ 153,349</u></b>	<b><u>\$ 500</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,000</u></b>	<b><u>\$ 4,502</u></b>	<b><u>\$ 201,207</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>								
<b>Liabilities:</b>								
Due To Other Funds		\$ 33,349			\$ 19,082		\$ 3,078	\$ 55,509
Accounts Payable - Other		1,167						1,167
Deferred Revenue	-	-	\$ 153,349	-	-	-	-	153,349
Total Liabilities	<u>\$ -</u>	<u>34,516</u>	<u>153,349</u>	<u>\$ -</u>	<u>19,082</u>	<u>\$ -</u>	<u>3,078</u>	<u>210,025</u>
<b>Fund Balances:</b>								
Unassigned					(19,082)			(19,082)
Restricted	2,935	3,405	-	500	-	2,000	1,424	10,264
Total Fund Balances	<u>2,935</u>	<u>3,405</u>	<u>-</u>	<u>500</u>	<u>(19,082)</u>	<u>2,000</u>	<u>1,424</u>	<u>(8,818)</u>
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b><u>\$ 2,935</u></b>	<b><u>\$ 37,921</u></b>	<b><u>\$ 153,349</u></b>	<b><u>\$ 500</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,000</u></b>	<b><u>\$ 4,502</u></b>	<b><u>\$ 201,207</u></b>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Combining Balance Sheet  
Special Revenue Fund Components  
June 30, 2015

Schedule 2  
(page 2 of 4)

	Next Step - Vermont Student	Central Health & Learning	VPA Student Leadership Project	Co-Curricular Sport Camps	Speak Out	Music	Great School Partnership	Subtotals
<b>ASSETS:</b>								
<b>Current Assets:</b>								
Cash								\$ -
Due From Other Funds	\$ 169	\$ 760	\$ 941	\$ 791		\$ 4,301	\$ 25,000	31,962
Accounts Receivable - State								-
Accounts Receivable - Supervisory Union								-
Accounts Receivable - Other	-	-	-	-	\$ 609	-	-	609
Total Current Assets	<u>169</u>	<u>760</u>	<u>941</u>	<u>791</u>	<u>609</u>	<u>4,301</u>	<u>25,000</u>	<u>32,571</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 169</u></b>	<b><u>\$ 760</u></b>	<b><u>\$ 941</u></b>	<b><u>\$ 791</u></b>	<b><u>\$ 609</u></b>	<b><u>\$ 4,301</u></b>	<b><u>\$ 25,000</u></b>	<b><u>\$ 32,571</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>								
<b>Liabilities:</b>								
Due To Other Funds					\$ 899			\$ 899
Accounts Payable - Other								-
Deferred Revenue	\$ 169	-	-	-	-	-	-	169
Total Liabilities	<u>169</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>899</u>	<u>\$ -</u>	<u>\$ -</u>	<u>1,068</u>
<b>Fund Balances:</b>								
Unassigned					(290)			(290)
Restricted	-	760	941	791	-	4,301	25,000	31,793
Total Fund Balances	<u>-</u>	<u>760</u>	<u>941</u>	<u>791</u>	<u>(290)</u>	<u>4,301</u>	<u>25,000</u>	<u>31,503</u>
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b><u>\$ 169</u></b>	<b><u>\$ 760</u></b>	<b><u>\$ 941</u></b>	<b><u>\$ 791</u></b>	<b><u>\$ 609</u></b>	<b><u>\$ 4,301</u></b>	<b><u>\$ 25,000</u></b>	<b><u>\$ 32,571</u></b>

The accompanying notes are an integral part of these financial statements



Harwood Union School District  
Combining Balance Sheet  
Special Revenue Fund Components  
June 30, 2015

Schedule 2  
(page 3 of 4)

	SAT Continuing Education	Rowland Grant	Athletic Fundraiser	Rwanda Fund	Musical	NEA/Learn Leadership Grant	Tech Ed Tool Sale	Subtotals
<b>ASSETS:</b>								
<b>Current Assets:</b>								
Cash				\$ 279				\$ 279
Due From Other Funds	\$ 3,051	\$ 2,303	\$ 10,452			\$ 563	\$ 525	16,894
Accounts Receivable - State								-
Accounts Receivable - Supervisory Union								-
Accounts Receivable - Other	-	-	-	-	-	-	-	-
Total Current Assets	<u>3,051</u>	<u>2,303</u>	<u>10,452</u>	<u>279</u>	<u>\$ -</u>	<u>563</u>	<u>525</u>	<u>17,173</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 3,051</u></b>	<b><u>\$ 2,303</u></b>	<b><u>\$ 10,452</u></b>	<b><u>\$ 279</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 563</u></b>	<b><u>\$ 525</u></b>	<b><u>\$ 17,173</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>								
<b>Liabilities:</b>								
Due To Other Funds				\$ 482	\$ 1,437			\$ 1,919
Accounts Payable - Other								-
Deferred Revenue	-	\$ 2,303	-	-	-	-	-	2,303
Total Liabilities	<u>\$ -</u>	<u>2,303</u>	<u>\$ -</u>	<u>482</u>	<u>1,437</u>	<u>\$ -</u>	<u>\$ -</u>	<u>4,222</u>
<b>Fund Balances:</b>								
Unassigned				(203)	(1,437)			(1,640)
Restricted	3,051	-	10,452	-	-	563	525	14,591
Total Fund Balances	<u>3,051</u>	<u>-</u>	<u>10,452</u>	<u>(203)</u>	<u>(1,437)</u>	<u>563</u>	<u>525</u>	<u>12,951</u>
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b><u>\$ 3,051</u></b>	<b><u>\$ 2,303</u></b>	<b><u>\$ 10,452</u></b>	<b><u>\$ 279</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 563</u></b>	<b><u>\$ 525</u></b>	<b><u>\$ 17,173</u></b>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Combining Balance Sheet  
Special Revenue Fund Components  
June 30, 2015

Schedule 2  
(page 4 of 4)

	Tadejewski Estate	Water Source Development	Hall of Fame Co-Curricular	Rowland Grant	Jamieson Memorial	Great Expectations	Subtotals	Totals
<b>ASSETS:</b>								
<b>Current Assets:</b>								
Cash							\$ -	\$ 279
Due From Other Funds	\$ 496		\$ 6,386	\$ 22,882	\$ 1,115	\$ 100	30,979	198,261
Accounts Receivable - State							-	37,921
Accounts Receivable - Supervisory Union							-	44,860
Accounts Receivable - Other	-	-	-	-	-	-	-	609
Total Current Assets	<u>496</u>	<u>\$ -</u>	<u>6,386</u>	<u>22,882</u>	<u>1,115</u>	<u>100</u>	<u>30,979</u>	<u>281,930</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 496</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 6,386</u></b>	<b><u>\$ 22,882</u></b>	<b><u>\$ 1,115</u></b>	<b><u>\$ 100</u></b>	<b><u>\$ 30,979</u></b>	<b><u>\$ 281,930</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>								
<b>Liabilities:</b>								
Due To Other Funds		\$ 4,751					\$ 4,751	\$ 63,078
Accounts Payable - Other							-	1,167
Deferred Revenue	-	-	-	-	-	-	-	155,821
Total Liabilities	<u>\$ -</u>	<u>4,751</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>4,751</u>	<u>220,066</u>
<b>Fund Balances:</b>								
Unassigned		(4,751)					(4,751)	(25,763)
Restricted	496	-	6,386	22,882	1,115	100	30,979	87,627
Total Fund Balances	<u>496</u>	<u>(4,751)</u>	<u>6,386</u>	<u>22,882</u>	<u>1,115</u>	<u>100</u>	<u>26,228</u>	<u>61,864</u>
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b><u>\$ 496</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 6,386</u></b>	<b><u>\$ 22,882</u></b>	<b><u>\$ 1,115</u></b>	<b><u>\$ 100</u></b>	<b><u>\$ 30,979</u></b>	<b><u>\$ 281,930</u></b>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Special Revenue Fund Components  
For The Year Ended June 30, 2015

Schedule 3  
(page 1 of 4)

	Child Care Grant	Care & Custody	Medicaid	Umatter	China Program	Greece/Italy Trip	Air Quality	Tobacco Use	Subtotals
REVENUES:									
Donations									\$ -
Private/Local/Other State	-	\$ 172,599	\$ 99,503	\$ 500	-	\$ 3,648	-	\$ 11,569	115,220
	-	\$ 172,599	-	-	-	-	-	-	172,599
TOTAL REVENUES	\$ -	172,599	99,503	500	\$ -	3,648	\$ -	11,569	287,819
EXPENDITURES:									
Direct Services		172,599				3,648			176,247
Support Services:									
Students			99,503					11,560	111,063
Operation and Maintenance of Building	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	172,599	99,503	-	-	3,648	-	11,560	287,310
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	500	-	-	-	9	509
OTHER FINANCING SOURCES (USES):									
Transfers In									-
Transfers Out	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	-	-	500	-	-	-	9	509
FUND BALANCES, JULY 1, 2014	2,935	3,405	-	-	(19,082)	-	2,000	1,415	(9,327)
	2,935	3,405	-	-	(19,082)	-	2,000	1,415	(9,327)
FUND BALANCES, JUNE 30, 2015	\$ 2,935	\$ 3,405	\$ -	\$ 500	\$ (19,082)	\$ -	\$ 2,000	\$ 1,424	\$ (8,818)
	\$ 2,935	\$ 3,405	\$ -	\$ 500	\$ (19,082)	\$ -	\$ 2,000	\$ 1,424	\$ (8,818)

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Special Revenue Fund Components  
For The Year Ended June 30, 2015

Schedule 3  
(page 2 of 4)

	Central Health & Learning	VPA Student Leadership Project	Co-Curricular Sport Camps	Speak Out	Music	Great School Partnership	SAT Continuing Education	Rowland Grant	Subtotals
REVENUES:									
Donations									\$ -
Private/Local/Other State	-	-	\$ 14,771	\$ 609	\$ 4,673	\$ 25,000	\$ 6,205	\$ 210	50,859
	<u>-</u>	<u>-</u>	<u>-</u>	<u>609</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>609</u>
TOTAL REVENUES	<u>\$ -</u>	<u>\$ -</u>	<u>14,771</u>	<u>609</u>	<u>4,673</u>	<u>25,000</u>	<u>6,205</u>	<u>210</u>	<u>51,468</u>
EXPENDITURES:									
Direct Services			14,252	899	1,697		6,356	210	23,414
Support Services:									
Students									-
Operation and Maintenance of Building	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>14,252</u>	<u>899</u>	<u>1,697</u>	<u>-</u>	<u>6,356</u>	<u>210</u>	<u>23,414</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	519	(290)	2,976	25,000	(151)	-	28,054
OTHER FINANCING SOURCES (USES):									
Transfers In									-
Transfers Out	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	-	519	(290)	2,976	25,000	(151)	-	28,054
FUND BALANCES, JULY 1, 2014	<u>760</u>	<u>941</u>	<u>272</u>	<u>-</u>	<u>1,325</u>	<u>-</u>	<u>3,202</u>	<u>-</u>	<u>6,500</u>
FUND BALANCES, JUNE 30, 2015	<u>\$ 760</u>	<u>\$ 941</u>	<u>\$ 791</u>	<u>\$ (290)</u>	<u>\$ 4,301</u>	<u>\$ 25,000</u>	<u>\$ 3,051</u>	<u>\$ -</u>	<u>\$ 34,554</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Special Revenue Fund Components  
For The Year Ended June 30, 2015

Schedule 3  
(page 3 of 4)

	Athletic Fundraiser	Rwanda Fund	Musical	NEA/Learn Leadership Grant	Tech Ed Tool Sale	Tadejewski Estate	Water Source Development	Hall of Fame Co-Curricular	Subtotals
REVENUES:									
Donations	\$ 10,966	\$ 56,353						\$ 600	\$ 67,919
Private/Local/Other State	-	17,310							17,310
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 214,245</u>	<u>-</u>	<u>214,245</u>
TOTAL REVENUES	<u>10,966</u>	<u>73,663</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>214,245</u>	<u>600</u>	<u>299,474</u>
EXPENDITURES:									
Direct Services	5,978	86,201		106					92,285
Support Services:									
Students									-
Operation and Maintenance of Building	-	-	-	-	-	-	153,305	-	153,305
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>153,305</u>	<u>-</u>	<u>153,305</u>
TOTAL EXPENDITURES	<u>5,978</u>	<u>86,201</u>	<u>-</u>	<u>106</u>	<u>-</u>	<u>-</u>	<u>153,305</u>	<u>-</u>	<u>245,590</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,988	(12,538)	-	(106)	-	-	60,940	600	53,884
OTHER FINANCING SOURCES (USES):									
Transfers In		7,500							7,500
Transfers Out	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	4,988	(5,038)	-	(106)	-	-	60,940	600	61,384
FUND BALANCES, JULY 1, 2014	<u>5,464</u>	<u>4,835</u>	<u>(1,437)</u>	<u>669</u>	<u>525</u>	<u>496</u>	<u>(65,691)</u>	<u>5,786</u>	<u>(49,353)</u>
FUND BALANCES, JUNE 30, 2015	<u>\$ 10,452</u>	<u>\$ (203)</u>	<u>\$ (1,437)</u>	<u>\$ 563</u>	<u>\$ 525</u>	<u>\$ 496</u>	<u>\$ (4,751)</u>	<u>\$ 6,386</u>	<u>\$ 12,031</u>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Special Revenue Fund Components  
For The Year Ended June 30, 2015

Schedule 3  
*(page 4 of 4)*

	Rowland Grant	Mexico Program	Jamieson Memorial	Great Expectations	Subtotals	Totals
REVENUES:						
Donations					\$ -	\$ 67,919
Private/Local/Other State	-	-	-	-	-	183,389
	-	-	-	-	-	387,453
<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>638,761</b>
EXPENDITURES:						
Direct Services	6,278				6,278	298,224
Support Services:						
Students					-	111,063
Operation and Maintenance of Building	-	-	-	-	-	153,305
	-	-	-	-	-	153,305
<b>TOTAL EXPENDITURES</b>	<b>6,278</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,278</b>	<b>562,592</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6,278)	-	-	-	(6,278)	76,169
OTHER FINANCING SOURCES (USES):						
Transfers In					-	7,500
Transfers Out	-	(7,500)	-	-	(7,500)	(7,500)
	-	(7,500)	-	-	(7,500)	(7,500)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(6,278)	(7,500)	-	-	(13,778)	76,169
FUND BALANCES, JULY 1, 2014	29,160	7,500	1,115	100	37,875	(14,305)
FUND BALANCES, JUNE 30, 2015	<b>\$ 22,882</b>	<b>\$ -</b>	<b>\$ 1,115</b>	<b>\$ 100</b>	<b>\$ 24,097</b>	<b>\$ 61,864</b>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Combining Balance Sheet  
Capital Project Fund Components  
June 30, 2015

Schedule 4

	DeLong Property Acquisition	Renovation Fund	Wood Chip Project	Maintenance Reserve	Totals
<b>ASSETS:</b>					
Current Assets:					
Cash				\$ 157,125	\$ 157,125
Due From Other Funds	\$ 2,698	\$ 58	\$ 1,759	-	4,515
Total Current Assets	<u>2,698</u>	<u>58</u>	<u>1,759</u>	<u>157,125</u>	<u>161,640</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,698</u></b>	<b><u>\$ 58</u></b>	<b><u>\$ 1,759</u></b>	<b><u>\$ 157,125</u></b>	<b><u>\$ 161,640</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>					
Liabilities:					
Due To Other Funds	-	-	-	\$ 9,068	\$ 9,068
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>9,068</u>	<u>9,068</u>
Fund Balances:					
Committed	<u>2,698</u>	<u>58</u>	<u>1,759</u>	<u>148,057</u>	<u>152,572</u>
Total Fund Balances	<u>2,698</u>	<u>58</u>	<u>1,759</u>	<u>148,057</u>	<u>152,572</u>
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b><u>\$ 2,698</u></b>	<b><u>\$ 58</u></b>	<b><u>\$ 1,759</u></b>	<b><u>\$ 157,125</u></b>	<b><u>\$ 161,640</u></b>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Capital Project Fund Components  
For The Year Ended June 30, 2015

Schedule 5

	DeLong Property Acquisition	Renovation Fund	Wood Chip Project	Maintenance Reserve	Construction Bond	Totals
REVENUES:						
Investment Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 71</u>	<u>-</u>	<u>\$ 71</u>
TOTAL REVENUES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>71</u>	<u>\$ -</u>	<u>71</u>
EXPENDITURES:						
Operation and Maintenance of Building	<u>-</u>	<u>550</u>	<u>-</u>	<u>155,291</u>	<u>847</u>	<u>156,688</u>
TOTAL EXPENDITURES	<u>-</u>	<u>550</u>	<u>-</u>	<u>155,291</u>	<u>847</u>	<u>156,688</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(550)	-	(155,220)	(847)	(156,617)
OTHER FINANCING SOURCES (USES):						
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>195,000</u>	<u>-</u>	<u>195,000</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	(550)	-	39,780	(847)	38,383
FUND BALANCES, JULY 1, 2014	<u>2,698</u>	<u>608</u>	<u>1,759</u>	<u>108,277</u>	<u>847</u>	<u>114,189</u>
FUND BALANCES, JUNE 30, 2015	<u>\$ 2,698</u>	<u>\$ 58</u>	<u>\$ 1,759</u>	<u>\$ 148,057</u>	<u>\$ -</u>	<u>\$ 152,572</u>

The accompanying notes are an integral part of these financial statements



Harwood Union School District  
Combining Balance Sheet  
Permanent Fund Components  
June 30, 2015

Schedule 6

	Joshua Douglass Memorial	Harwood Faculty Award	James Izor Memorial	Kathy MacKay Award	Willis Merusi Trust	Rebekah Scholarship	Richard Wein Memorial	Warren Howland Scholarship	Totals
<b>ASSETS:</b>									
Current Assets:									
Cash		\$ 5,000	\$ 11,137	\$ 4,099	\$ 10,000	\$ 5,000	\$ 40,496	\$ 4,710	\$ 80,442
Due From Other Funds	\$ 5,225	36	43	2,227	423	214	150	-	8,318
Total Current Assets	<u>5,225</u>	<u>5,036</u>	<u>11,180</u>	<u>6,326</u>	<u>10,423</u>	<u>5,214</u>	<u>40,646</u>	<u>4,710</u>	<u>88,760</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 5,225</u></b>	<b><u>\$ 5,036</u></b>	<b><u>\$ 11,180</u></b>	<b><u>\$ 6,326</u></b>	<b><u>\$ 10,423</u></b>	<b><u>\$ 5,214</u></b>	<b><u>\$ 40,646</u></b>	<b><u>\$ 4,710</u></b>	<b><u>\$ 88,760</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>									
Liabilities:									
Due To Other Funds	-	-	-	-	-	-	-	\$ 22	\$ 22
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>22</u>	<u>22</u>
Fund Balances:									
Spendable	225	36	180	326	423	214	(1,354)	55	105
Unspendable	<u>5,000</u>	<u>5,000</u>	<u>11,000</u>	<u>6,000</u>	<u>10,000</u>	<u>5,000</u>	<u>42,000</u>	<u>4,633</u>	<u>88,633</u>
Total Fund Balances	<u>5,225</u>	<u>5,036</u>	<u>11,180</u>	<u>6,326</u>	<u>10,423</u>	<u>5,214</u>	<u>40,646</u>	<u>4,688</u>	<u>88,738</u>
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b><u>\$ 5,225</u></b>	<b><u>\$ 5,036</u></b>	<b><u>\$ 11,180</u></b>	<b><u>\$ 6,326</u></b>	<b><u>\$ 10,423</u></b>	<b><u>\$ 5,214</u></b>	<b><u>\$ 40,646</u></b>	<b><u>\$ 4,710</u></b>	<b><u>\$ 88,760</u></b>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
 Combining Statement of Revenues, Expenses  
 and Changes in Fund Balances  
 Permanent Fund Components  
 For The Year Ended June 30, 2015

Schedule 7

	Joshua Douglass Memorial	Harwood Faculty Award	James Izor Memorial	Kathy MacKay Award	Willis Merusi Trust	Rebekah Scholarship	Richard Wein Memorial	Warren Howland Scholarship	Totals
REVENUE:									
Investment Income	\$ 5	\$ 18	\$ 38	\$ 18	\$ 35	\$ 18	\$ 142	\$ 17	\$ 291
Donations	-	585	-	-	-	-	-	-	585
<b>TOTAL REVENUE</b>	<b>5</b>	<b>603</b>	<b>38</b>	<b>18</b>	<b>35</b>	<b>18</b>	<b>142</b>	<b>17</b>	<b>876</b>
EXPENDITURES:									
Awards and Scholarships	-	1,035	-	-	-	-	200	-	1,235
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>1,035</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>-</b>	<b>1,235</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5	(432)	38	18	35	18	(58)	17	(359)
FUND BALANCES, JULY 1, 2014	5,220	5,468	11,142	6,308	10,388	5,196	40,704	4,671	89,097
FUND BALANCES, JUNE 30, 2015	\$ 5,225	\$ 5,036	\$ 11,180	\$ 6,326	\$ 10,423	\$ 5,214	\$ 40,646	\$ 4,688	\$ 88,738

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Statement of Changes in Assets and Liabilities  
Fiduciary Fund Types - Agency Fund  
For The Year Ended June 30, 2015

Schedule 8

	Balance July 1, 2014	Receipts	Disbursements	Transfers	Balance June 30, 2015
<b>Assets:</b>					
Cash - Checking	\$ (1,958)	\$ -	\$ -	\$ -	\$ (1,958)
Cash - Savings	<u>65,677</u>	<u>114,732</u>	<u>610</u>	<u>(105,000)</u>	<u>74,799</u>
<b>Total Assets</b>	<b><u>\$ 63,719</u></b>	<b><u>\$ 114,732</u></b>	<b><u>\$ 610</u></b>	<b><u>\$ (105,000)</u></b>	<b><u>\$ 72,841</u></b>
<b>Liabilities:</b>					
Amount Held for Agency Funds	<u>\$ 63,719</u>	<u>\$ 114,732</u>	<u>\$ 610</u>	<u>\$ (105,000)</u>	<u>\$ 72,841</u>
<b>Total Liabilities</b>	<b><u>\$ 63,719</u></b>	<b><u>\$ 114,732</u></b>	<b><u>\$ 610</u></b>	<b><u>\$ (105,000)</u></b>	<b><u>\$ 72,841</u></b>

The accompanying notes are an integral part of these financial statements

Harwood Union School District  
Combining Balance Sheet  
Fiduciary Fund Type - Private Purpose Trust Fund Components  
June 30, 2015

Schedule 9

	Burnham Fund	Eunice B. Farr	Jason Lemery Award	W. Parker Scholarship	Robert Koster	Hunter Wright Award	Totals
<b>ASSETS:</b>							
Current Assets:							
Cash	\$ 14,782						\$ 14,782
Due From Other Funds	-	\$ 1,030	\$ 1,377	\$ 2,144	\$ 267	\$ 1,316	6,134
Total Current Assets	<u>14,782</u>	<u>1,030</u>	<u>1,377</u>	<u>2,144</u>	<u>267</u>	<u>1,316</u>	<u>20,916</u>
<b>TOTAL ASSETS</b>	<u>\$ 14,782</u>	<u>\$ 1,030</u>	<u>\$ 1,377</u>	<u>\$ 2,144</u>	<u>\$ 267</u>	<u>\$ 1,316</u>	<u>\$ 20,916</u>
<b>LIABILITIES AND FUND BALANCES:</b>							
Liabilities:							
Due to Other Funds	\$ 14,430	-	-	-	-	-	\$ 14,430
Total Liabilities	<u>14,430</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>14,430</u>
Fund Balances:							
Restricted	<u>352</u>	<u>1,030</u>	<u>1,377</u>	<u>2,144</u>	<u>267</u>	<u>1,316</u>	<u>6,486</u>
Total Fund Balances	<u>352</u>	<u>1,030</u>	<u>1,377</u>	<u>2,144</u>	<u>267</u>	<u>1,316</u>	<u>6,486</u>
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<u>\$ 14,782</u>	<u>\$ 1,030</u>	<u>\$ 1,377</u>	<u>\$ 2,144</u>	<u>\$ 267</u>	<u>\$ 1,316</u>	<u>\$ 20,916</u>

The accompanying notes are an integral part of these financial statements



P.O. Box 639  
2834 Shelburne Road  
Shelburne, VT 05482-0639

Phone: 802-985-8992  
Fax: 802-985-9442

[www.angolanoandcompany.com](http://www.angolanoandcompany.com)

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

To the School Board  
Harwood Union School District #19, Vermont

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Harwood Union School District #19, Vermont, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Harwood Union School District #19, Vermont's basic financial statements and have issued our report thereon dated February 29, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Harwood Union School District #19, Vermont's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Harwood Union School District #19, Vermont's internal control. Accordingly, we do not express an opinion on the effectiveness of Harwood Union School District #19, Vermont's internal control.

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Harwood Union School District #19, Vermont's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance of other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

## ***Angolano & Company***

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

February 29, 2016



P.O. Box 639  
2834 Shelburne Road  
Shelburne, VT 05482-0639

Phone: 802-985-8992  
Fax: 802-985-9442

[www.angolanoandcompany.com](http://www.angolanoandcompany.com)

August 21, 2015

To the School Board  
Harwood Union School District

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Harwood Union School District** for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, Government Auditing Standards and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 19, 2015. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

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

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

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

Management's estimate of the lives of property, plant, and equipment is based on expected usefulness. We evaluated the key factors and assumptions used to develop the lives of property, plant, and equipment in determining that it is reasonable in relation to the financial statements taken as a whole.

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

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

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

The disclosure of Other Post Employment Benefits (OPEB) and Termination Benefits in Note 9 to the financial statements as to how it is being offered and any contingent and real liabilities that exist.

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

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

#### *Corrected and Uncorrected Misstatements*

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

#### *Disagreements with Management*

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

#### *Management Representations*

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

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

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those



statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

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

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

Very truly yours,

***Angolano & Company***

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