

Public Notice of Meeting
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL BOARD MEETING
Tuesday, February 6, 2018
Wilton-Lyndeborough Cooperative M/H School-Media Room
6:30 p.m.

- I. CALL TO ORDER-Harry Dailey-Chair**
- II. ELEMENTARY STUDENTS OF THE MONTH**
- III. GEOGRAPHY/SPELLING BEE WINNERS**
- IV. ADJUSTMENTS TO THE AGENDA**
- V. PUBLIC COMMENTS:** This is the public's opportunity to speak to items on the agenda. This is also the public's opportunity to speak to any topic concerning the school district. No complaints regarding specific staff members will be heard during a public meeting. The District has established separate procedures for complaints against individual employees.
- VI. PRESENTATIONS**
 - i. Solar Panels-WLC-John Zavgren
 - ii. Gettysburg-Marc Belanger
 - iii. Washington D.C.-Marc Belanger-Request
- VII. BOARD CORRESPONDENCE**
 - a. Reports**
 - i. Superintendent's Report
 - ii. Business Administrator's Report
 - iii. Principals' Reports
 - iv. Curriculum Coordinator's Report
- VIII. 7:00PM JOINT BOARD & BUDGET COMMITTEE SESSION**
 - a. FY 2018-2019 Budget/Warrants & Preparation for Public Hearing**
- IX. CONSENT AGENDA**
 - a. Treasurer's Report-December 2017**
- X. 2018-2019 SCHOOL DISTRICT CALENDAR**
- XI. ACTION ITEMS**
 - a. Approve Minutes of Previous Meeting**
 - b. Audit Acceptance**
- XII. COMMITTEE REPORTS**
 - i. Budget Liaison
- XIII. RESIGNATIONS/APPOINTMENTS/LEAVES**
- XIV. PUBLIC COMMENTS**
- XV. NON-PUBLIC SESSION RSA 91-A: 3 II (C)**
 - Student Matter
- XVI. ADJOURNMENT**

INFORMATION: Next School Board Meeting-February 20, 6:30 PM at WLC-Media Room

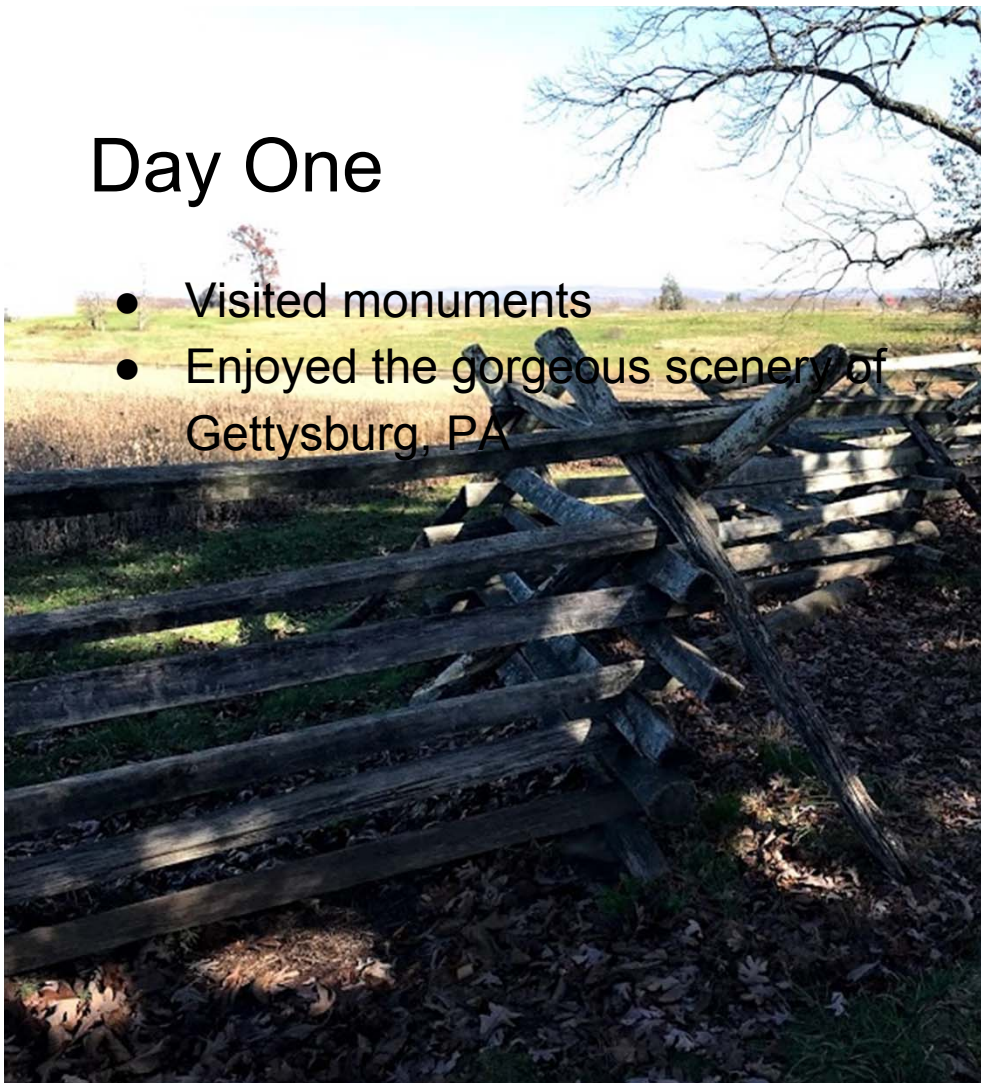
The Wilton-Lyndeborough Cooperative School District does not discriminate on the basis of race, color, religion, national origin, age, sex, handicap, veteran status, sexual orientation, gender identity or marital status in its administration of educational programs, activities or employment practice.

Gettysburg



Day One

- Visited monuments
- Enjoyed the gorgeous scenery of Gettysburg, PA



Day Two

- Battlefield tour
- Sunset and Pres. on Little Round Top end day
- Ate pizza at hotel
- Talked about Reconstruction



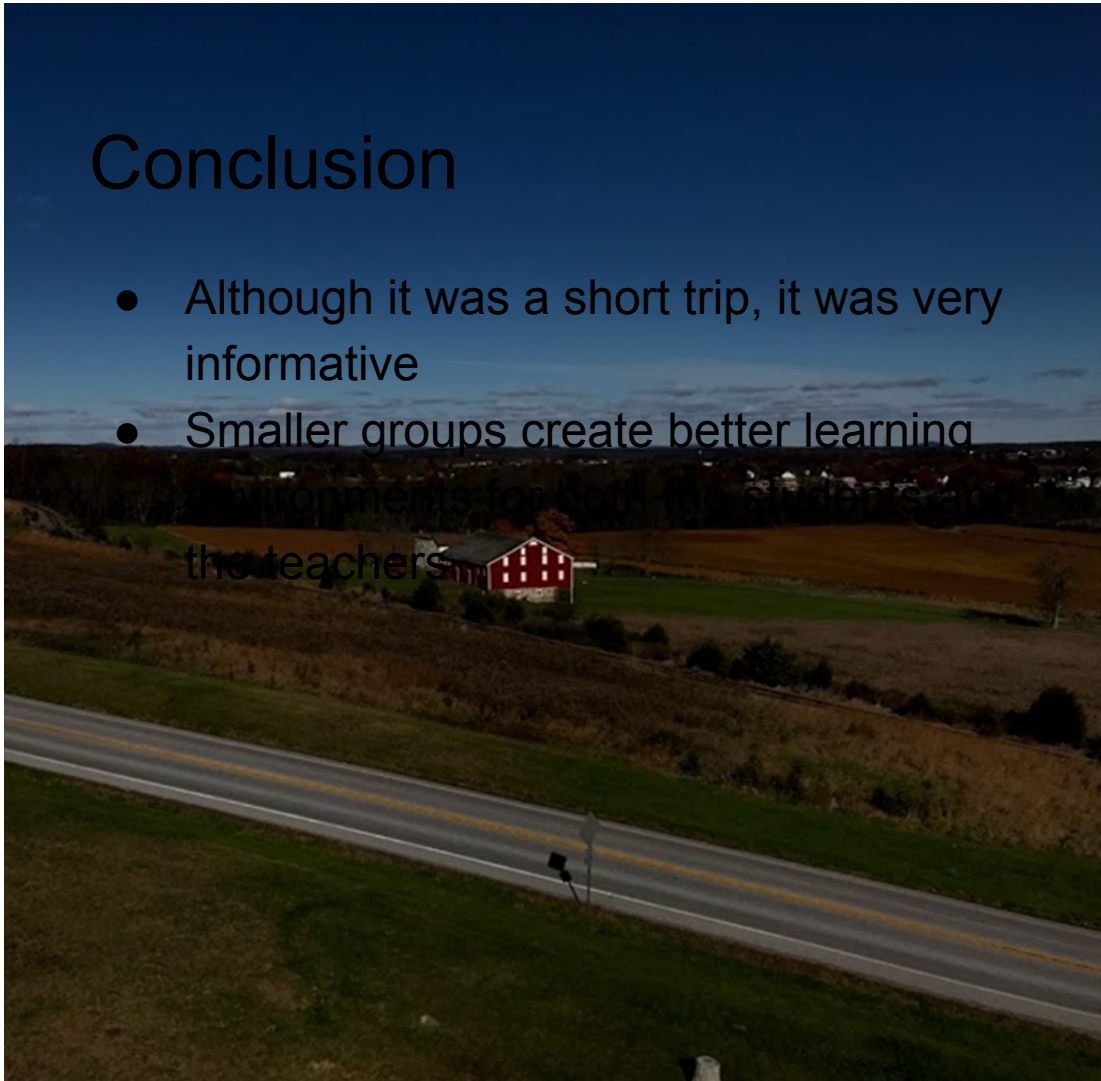
Day Three

- Went to Devil's Den
- Visited Gettysburg Museum
- Walked Pickett's Charge
- Visited the Lincoln Address Memorial



Conclusion

- Although it was a short trip, it was very informative
- Smaller groups create better learning environments for both the students and the teachers



Proposed trip to Washington DC

Dates: April 19-23 2018

The trip will be open to up to 8 students in grades 11 and 12

Transportation: Similar to the Gettysburg Trip, I will use the WLC to transport students to and from the Nation's Capital.

Lodging: We will be staying in a DoubleTree Hotel similar to the trip to the DC last year. The Hotel will be chosen by the end of the month. The link below is to the hotel we stayed at last year.

<http://doubletree3.hilton.com/en/hotels/maryland/doubletree-by-hilton-hotel-largo-washington-dc-BWILWDT/index.html>

Schedule: For most students this will be the second or third trip to DC. The students want to go and do more than the standard "field trip". To better fit that expectation, I want the students to choose what they want to do. I have spoken to multiple students about what they would like to do and they have suggested the following:

Visit Senator Hassan's Office- They want to see the the side of Washington that truly impacts them; not just the Capitol Visitors' center.

Watch a Supreme Court case- Through their Government Class, Electives and VHS classes students have learned about Landmark Cases that have shaped our Country. They want to be able to experience this in person. I took 8 student last year to watch a Case live and the students that went shared their experiences.

Tour Mount Vernon- Students have done researchers on the Founding Fathers for years. They have researched Mount Vernon and want the chance to see it in person.

While we are in DC we will utilize public transit.

Cost to the district: None

Cost to the Student: Students will be responsible for the cost of Lodging and gasoline for the trip. I am going to add \$70 to the trip per person and use that for gasoline. We spent approximately \$350 in gas for the Gettysburg Trip and this trip is only 100 miles further round trip. Student will be also responsible for food on the trip.

Stipend Budget Transfer

There was a stipend set aside for a Chaperones on a High School Field Trip. The Budgeted amount was \$2000 dollars split between four chaperones. This trip will only have one WLC Chaperone (Myself) and my wife who is also a Government teacher in Belmont. I request that the remaining funds be used for the purpose of enhancing the trip for our students. This can be done multiple ways.

1. Allow me to offset the price of food for the trip. The largest expense will be dinner each night while we are in DC. If WLC would assist with dinner it would cut the cost associated with our students.
2. Pay for their transit. The DC Metro offers a 5-day pass that will allow us to ride the metro and city busses the entire time we are in the city for one price. Instead of having to constantly reload our metrocards to pay for the fare we would be able to simply board and go.
3. Off Set price for lodging
4. Use funds for a scholarship. There are multiple students that want to go, but the price of the trip creates a barrier for them.

NAME_____

CONTROL:_____ <<<<<<< Choose a random number for yourself.

APPLICATION DUE BY:2/09/2018

1. Have you been to DC before? If So why do you want to go back? If You have not why do you want to go?

2. If you go to pick one place in DC to see where would it be and why?

3. In your opinion why is it important for Americans to see the Nation's Capital

4. DC has many memorials and museums in your opinion, why is it important to remember the past?

5. If you could meet any of the Founding Fathers, who would you choose and why?

Wilton-Lyndeborough Cooperative School District
School Administrative Unit #63

192 Forest Road
Lyndeborough, NH 03082
603-654-8088

Bryan K. Lane
Superintendent of Schools

Betty Moore, M.Ed.
Director of Student Support Services

Lise Tucker
Business Administrator

SUPERINTENDENT'S REPORT
February 6, 2018

Our office has been gathering whatever information might be needed by either the budget committee or the school board as the final budget figures are created. The SAU staff will work to have all materials ready for the public hearing that will be held on Thursday February 8 at 7PM at WLC.

In the next accounting of student enrollment the board will notice that the senior class at WLC has increased to from 36 to 45 students. This change is due to 9 students who were classified as juniors at the beginning of the school year have increased their earned credits to make them eligible to graduate in June. As of January 30 this brings the student enrollment at WLC HS to be:

Grade 12	45 students
Grade 11	29 students
Grade 10	33 students
Grade 9	48 students

There has been a great deal of conversation among Superintendents in regard to the state legislature's expansion in the ability to carry firearms. The new "carry" statutes do not restrict the carrying of firearms on school property. The Gun-Free School Zones Act of 1995 restricts the carrying of weapons within 1,000 feet of a school. It also requires an automatic one year suspension from school of any student found to be in possession of a fire arm. Local police departments do not have the authority to enforce federal law according to the Attorney General of New Hampshire. There are several school districts in New Hampshire that have district policies that prohibit the carrying of firearms on school property. In an article appearing in the Valley News, a regional newspaper in the Lebanon region of the state, the New Hampshire Attorney General's office has determined that the policies of school districts do not supersede the state law. So where does that leave us? Our district policy, JICI, indicates that we will inform law enforcement if we are made aware that anyone is carrying a firearm on school property. We will continue to inform the police with the understanding that they have no ability to confront the individual in question. The statute still exists and is enforceable that students are not allowed to carry weapons and we will follow policy JICI as written in regard to students. There is no need to change the wording of the district policy at this time.

I will be teaching my next course at Southern New Hampshire University on Thursday nights in Concord, the class is Process and Communication Skills.

February 2nd is a teacher workshop day.

On February 5th, I will be attending the NHSAA Legislative Update workshop in Concord.

I will be attending the ASAA national conference on February 14-17.

Wilton-Lyndeborough Cooperative School District
School Administrative Unit #63

192 Forest Road,
Lyndeborough, NH 03082

Bryan K. Lane
Superintendent of Schools

Betty Moore, M.Ed.
Director of Student Support Services

Lise Tucker
Business Administrator

BUSINESS OFFICE REPORT
February 6, 2018

Lise has completed the MD&A (Management Discussion and Analysis) report for insertion into the audit report. She has also worked with the actuary to complete the required GASB45 – Other Post-Employment Benefits (OPEB) Report. This pertains to the schedule of funding for eligible employees for retirement, primarily teachers who get the medical value being in the consortium. It also discloses the proportionate share of the projected pension liability through the NH Retirement System.

Our audit for 2016-17 is now complete. You should have a copy in your packet. In the Independent Auditor's Report, you will find that we received an 'unmodified opinion' on our financial statements. This means that we had a 'clean' audit.

Lise attended the January NH Association of Business Officials (ASBO) meeting. The agenda included presentations from Conway Office Solutions and Melanson Heath Accountants/Auditors. Conway Solutions promoted their new software program called "eCopy". It takes an Adobe file and converts some of the document parts to MS Word so that you can fill in fields. Melanson Heath did an overview of the American Institute of Certified Public Accountants organization (AICPA) and the Governmental Audit Quality Center (GAQC) which focuses on training for them. The Drummond Woodsum Law firm gave a presentation on Procurement and Bidding Requirements. They focused on procurement goals. We should solicit based on the following; 1) Bids are based on price only, 2) RFP – request for proposals are based on price and other considerations, and 3) RFQ – request for qualifications are based on specific job qualifications (ie. Roofing, auditing).

The Food Service Program at Florence Rideout Elementary School had their State Administrative Review. This review is done every three years. This is an extensive review of the program which includes; Meal Patterns and Nutritional Quality, Resource/Revenue Management, and General Compliance (SOPs). Thank you, Bob, for all your hard work in putting these documents together.

Our scheduled meeting for the Joint Loss Management Committee (JLMC) on January 22nd was canceled. We are doing the administrative part of the meeting via email. There are no new staff claims. We are scheduled to do a detailed walkthrough of Florence Rideout Elementary on Tuesday, January 30th. Our next meeting is at WLC on April 19 at 3:00 p.m.

Buddy and Lise attended the Emergency Operations Plan (EOP) workshop. The agenda included an overview of what the plan should entail and what is required by the state statutes. We have our three school plans in draft form. These plans are required to be submitted annually. We are now looking to the town officials to review so that we can submit them accordingly.

WILTON-LYNDEBOROUGH COOPERATIVE
MIDDLE SCHOOL / HIGH SCHOOL
57 SCHOOL ROAD
WILTON, NEW HAMPSHIRE 03086
(603) 654-6123
www.wlcwarriors.net

Brian Bagley, Principal
Susan Ballou, Assistant Principal

Amanda J. Kovaliv, School Counseling Coordinator
Shannon O'Donnell, Middle School Counselor

Principal Report
February 6, 2018

On Saturday January 20, three students (Abby van Ham, Lily Gendron, and Nora Marcinuk) from WLC participated in the annual Monadnock Valley Music Festival. This festival is a gathering of the brightest music students in the Monadnock Valley to perform in a large collaborative chorus (this year there were 77 members). They spent 5 hours on a Thursday evening and 9 hours on a Saturday preparing 5 songs for a performance to a sold out crowd of more than 500 audience members at Monadnock Regional High School. They were taught and conducted by a world renowned choral instructor. It was a fantastic opportunity for our students and a tradition to continue at WLC. There will be a recording delivered in a few weeks to anyone who is interested!

WLC is pleased to announce that Jacob Yurcak is the Chapter winner for Good Citizens Award. On Friday, March 9, 2018 Jacob will attend the New Hampshire State DAR luncheon to honor all the chapter Good Citizen Award winners. It is held at the Holiday Inn in Concord.

On January 31st and February 1st WLC invited parents, community members, the School Board, and the Budget Committee will assist in the analysis of evidence our faculty has collected as part of our re-accreditation process. This process seeks input from all stakeholders within the WLC community. The participants reviewed documents on WLC computers and completed short surveys at each station. Directions and details were provided. This is a continuation of our self-reflection that began with the survey staff, students and parents were invited to complete earlier this fall. As we collectively evaluate the evidence, we will understand what the evidence says about the school's alignment to Principles of Effective Practice. We value the input from all members of the WLC community.

Star 360 assessment for reading and math were administered to students in grades 6, 7, and 8 the week of January 15th. Results were sent home January 24th. The information from the assessments helps us target the specific skills of students who need help. Students in all three grades are receiving intervention two times a week for both math and reading.

The National Geographic Bee is an annual competition organized by the National Geographic Society, designed to inspire and reward students' curiosity about the world. After daily practice in their social studies classes, 30 students, across grades six through eight were eligible to compete in a Preliminary Geography Bee on Friday, January 19th with teachers Erin Lhotsky and Molly Moore. From that initial competition, ten finalists advanced to the WLC School Bee which was held on Thursday, January 25th. In order to sit on the stage in front of their middle school peers, teachers, and parents, these ten finalists had to demonstrate a significant amount of knowledge and understanding of a wide range of geographic content; continents, oceans, countries, climates, weather, history, and even more were among the topics covered in the questions during practice, the preliminary, and the final itself. At the end of the fourth round of the final competition, 7th grader Alex Golding secured third place. After that, a championship round was held to determine the school champion. 8th graders Nathan LaChance and Elisabeth Jacob, both geobee alums, faced off in this final round. Elisabeth emerged as the victor, and was named the 2018 WLC school champion. On February 1st, Elisabeth will take an online qualifying test created by National Geographic to see if she will advance to the State Bee, and perhaps, eventually the National Bee in May, held in Washington, DC. Good luck to Elisabeth, and congratulations to all participants for their accomplishment!

The Wilton-Lyndeborough Cooperative School District does not discriminate on the basis of race, color, religion, national origin, age, sex, handicap, veteran status, sexual orientation, gender identity or marital status in its administration of educational programs, activities or employment practice.

"WLC will strive to be a positive learning community that ensures each student has the opportunity to develop to his or her potential."

AD Report:Boys Varsity Basketball

Head Coach: Flip Tremblay

of players: 11(4 swing from JV)

Record: 4-5

Next Home Game: 2/2 vs. Mt. Royal at 7PM

Boys JV Basketball

Head Coach: Flip Tremblay

Assistant Coaches: Sherry LeBlanc and Tom Brennan

of players: 8

Record: 1-3

Next Home Game: 2/6 vs. Derryfield at 4PM

Girls Varsity Basketball

Head Coach: Joy Burge

of players: 8

Record: 0-9

Next Home Game: 2/2 vs. Mt. Royal at 5:30PM

Boys Middle School Basketball

Head Coach: Leslie Browne

Assistant Coach: Alex LoVerme

of players: 11

Record: 2-9

Season completed: did not make play-offs

Girls Middle School Basketball

Head Coach: Dennis Claire

of players: 13

Record: 6-7

Next Game: 1/31 @ Auburn at 3:30 - Tri-County Semifinals

Thursday, February 1 – CPI training, 8:00-3:00, Room 133

Friday, February 2 – Teacher Workshop, No School

GV/BV Basketball vs. Mt. Royal, 5:30/7:00

Saturday, February 3 –

Sunday, February 4 – DI Team meeting, 1:30-3:30, cafeteria

Men's League Basketball, 8:00-2:00, gym

Monday, February 5 –

Tuesday, February 6 – BJV/GV/BV Basketball vs. Derryfield, 4:00/5:30/7:00

Wednesday, February 7 –

Thursday, February 8 – Public Hearing, 6:30, Library

Dance Team Dress Rehearsal, 7:00, cafeteria

Friday, February 9 – Winter Ball, 6:00-9:00, cafeteria

Saturday, February 10 –

Sunday, February 11 – DI Team meeting, 1:30-3:30, cafeteria

Men's League Basketball, 8:00-2:00, gym

Monday, February 12 –

Tuesday, February 13 – BJV/GV/BV Basketball @ Epping, 4:00/5:30/7:00

Wednesday, February 14 –

Thursday, February 15 –

Friday, February 16 – BV/GV Basketball vs. Nute, 5:30/7:00

Saturday, February 17 – Andy's Summer Playhouse, 12:30-3:30, cafeteria and Library

Sunday, February 18 – DI Team meeting, 1:30-3:30, cafeteria

Men's League Basketball, 8:00-2:00, gym

Monday, February 19 –

Tuesday, February 20 – Facilities sub-committee, 5:30, Library

School Board Meeting, 6:30, Library

Wednesday, February 21 – Snapshots and Progress reports

BV Basketball @ Sunapee, 7:00

Thursday, February 22 –

Friday, February 23 – Dance Team, dress rehearsal, 7:00, cafeteria

Saturday, February 24 –

Sunday, February 25 – DI Team meeting, 1:30-3:30, cafeteria

Men's League Basketball, 8:00-2:00, gym

Monday, February 26 – NO SCHOOL

Tuesday, February 27 – NO SCHOOL

Wednesday, February 28 – NO SCHOOL

FLORENCE RIDEOUT ELEMENTARY SCHOOL

18 TREMONT STREET

WILTON, NEW HAMPSHIRE 03086

(603) 654-6714 Main

(603) 654-3490 Fax

Timothy O'Connell, Principal

Jo Anne Dufour, School Counselor

Florence Rideout Elementary School and Lyndeborough Central School

Principal's Report 2/6/2018

Student reports from our most recent Star 360 Assessment were sent home with parents along with 2nd qtr. learning profiles. We continue to use the individual student data to monitor progress and the effectiveness of our Tier 2 interventions. During our professional Day on **Friday, February 2nd**, time was devoted to analyze results and formulate student action plans with RTI coordinator Michelle Locke. Teams also analyzed grade level results to identify curriculum standards that are a relative weaknesses. School-wide results are included in the curriculum coordinators report.

The FRES/LCS PTO continues to actively support our students and school. On **Thursday, February 1st** a family game night/Potluck Dinner was held in the FRES gymnasium. Educational games were enjoyed by families. 5th grade students volunteered as game gurus to teach families these new games and promote sales. Funds raised from this event will help offset the cost of the 5th grade year book for students and families.

Throughout, January and February classroom teachers have had an opportunity to participate coaching sessions with Reading Specialist Tammy Cargill and Stephanie Maze-Tsu consultant from TLA. During these sessions the coaches observe classroom teachers instruct and then provide teachers with feedback. In addition to these coaching sessions training around next steps with this [program was a primary focus for our professional development day on **Friday, February 2nd**. The implementation of this new program has been successful thus far and staff are becoming more familiar with the format and the new instructional practices and strategies.

February is American Heart Month students in will be participating in Jump Rope for Heart. The Jump Rope for Heart is our annual fundraiser for the American Heart Association and it's fight against heart disease and stroke. This event, coordinated by physical education teacher, Fritz Shenk, has Students jumping rope and collect pledges. Funds raised are donated to the American Heart Association and are used for research, heart education and training programs. Students will be motivated to support this with a special visit from the "*Hot Shots*" jump rope troupe on **Friday, February 23rd**.

In the spirit of the Winter Olympics, classes at Florence Rideout will be competing in our "Go for the Gold" bobsled reading challenge. Each class will race or "read" their bobsled down our stairway bobsled track in an attempt to reach the goal of 5000 minutes by **Friday, February 23rd**.

Our second annual Scripps Spelling Bee was held on **January 18th** at Florence Rideout Elementary School. We are proud of all of our participants and their accomplishments. Anya Zoltko 5th grade student and School champion will represent Florence Rideout Elementary School at the state Spelling Bee in Concord on **February 24th**. We wish her the best of luck!

Once again it is time to plan our Kindergarten Registration. Kindergarten Registration for the upcoming school year will begin on **Thursday, March 15th** with an evening registration event from 5-7 pm at the Lyndeborough Central School. Staff and administration will be on hand to meet students and families and to answer questions. Registration will continue daily from 9-2 pm. Information for parents about registration requirements and process can be found on the district website.

Sincerely,
Tim O'Connell
Principal

Wilton-Lyndeborough Cooperative School District-SAU #63
District Curriculum Coordinator

Julie S. Heon, Ed. D.
192 Forest Road Lyndeborough, NH 03082
603-732-9273

Curriculum Report: February 6, 2018

Professional Learning

In January, I attended the regional curriculum, instruction, and assessment meetings where we discussed technology integration, science instruction aligned to the new standards, and NH state testing. Districts are encouraged to pursue science instruction based on scientific phenomena, analyzing data, and drawing conclusions. I met with teachers at FRES and WLC to review this approach back in December and again this month. Two teachers attended a science standards conference and reported that it was very informative as they could dive deeply into the standards.

I attended the Project Lead the Way New England Conference along with Principal O'Connell and a teacher from FRES. The conference sessions provided us with information on science instruction by other schools.

Curriculum development

We started the science committee at FRES this month and will meet monthly. We reviewed the organization of the Next Generation Science Standards and discussed how the use of the Mystery Science program is working in classrooms. The program provides engaging videos for students, each revolving around scientific phenomena. There are discussion questions and teachers are encouraged to delve more deeply into content knowledge and inquiry. Teachers report that the program is working well in the classrooms as students are very interested in the videos, look forward to them, and engage in the science.

Professional Learning Teams at FRES are now being held weekly with the art, music, physical education, and technology teachers. We are focusing on creating the scope and sequence documents for each grade level and then creating the detailed units. We will spend the workshop day on February 2 on this work also.

Assessment

We scheduled both the interim and final assessments for the NH State Assessment in math, reading, and science at FRES. Some interim assessments will be given in February and others in early March. The interim assessments will allow students and proctors to experience the format and provide us with some data as to student performance, readiness for the final assessment, and guidance for instruction. A similar meeting at WLC was cancelled on a snow day and will be rescheduled soon.

The accompanying STAR 360 Assessment Data chart shows the addition of the data from the January benchmark testing. Most grade 1 students took the regular assessment while 23 students took the Early Literacy Assessment, some of whom also took the regular assessment while others were not ready. The grade level goal is the grade and .5 since January is the fifth month of school.

Respectfully submitted,
Julie Heon, Curriculum Coordinator

STAR 360 Assessment Data

1/29/2018

MATH						READING					
Grade	test time	# students	Scaled Score	Grade Equivalent	Percentile	Grade	test time	# students	Scaled Score	Grade Equivalent	Percentile
						1	Early Literacy				
							Sep	41	583	NA	1.08
							Nov	34	636	NA	1.22
							Jan	23	703	NA	1.45
1	Sep	NA				1	Sep	NA			
	Nov	12	370	1.8	78		Nov	12	180	2.0	75
all gr 1	Jan	44	319	1.4	47		Jan	35	132	1.6	43
							change	NA			
2	Sep	37	404	2.1	45	2	Sep	35	212	2.2	43
	Nov	38	462	2.6	63		Nov	35	278	2.7	56
	Jan	38	503	3.0	71		Jan	38	333	3.1	64
	change	0	41	.4	8		change	3	55	.4	8
3	Sep	37	506	3.0	53	3	Sep	37	317	3.0	35
	Nov	39	534	3.3	57		Nov	39	366	3.4	43
	Jan	40	563	3.6	60		Jan	40	401	3.7	48
	change	1	29	.3	3		change	1	35	.3	7
4	Sep	32	632	4.5	70	4	Sep	32	490	4.4	50
	Nov	34	631	4.5	63		Nov	34	506	4.5	49
	Jan	34	652	4.8	65		Jan	33	515	4.6	49
	change	0	21	.3	2		change	-1	9	.1	0
5	Sep	43	699	5.5	69	5	Sep	43	634	5.5	56
	Nov	45	704	5.6	66		Nov	45	687	6.0	61
	Jan	47	712	5.8	64		Jan	47	699	6.1	60
	change	2	8	.2	-2		change	2	12	.1	-1
6	Sep	27	722	6.0	49	6	Sep	29	651	5.7	39
	Nov	30	740	6.4	53		Nov	30	709	6.1	44
	Jan	31	735	6.3	47		Jan	31	674	5.9	37
	change	1	-15	-.1	-6		change	1	35	-.2	-7
7	Nov	40	738	6.3	40		Nov	40	814	6.8	45
	Jan	42	748	6.6	41		Jan	43	806	6.8	41
	change	2	10	.3	1		change	3	-8	0	-4
8	Sep	41	785	7.7	47	8	Sep	40	915	7.9	45
	Nov	39	799	8.3	50		Nov	41	931	8.1	46
	Jan	40	805	8.5	50		Jan	39	937	8.2	45
	change	1	6	.2	0		change	-2	6	.1	-1

Wilton-Lyndeborough Cooperative School District

Menu of Potential Warrant Articles for Fiscal Year 2018-2019

Tax Year	WA #	Type	Language								
2018	04	School District Operating Budget	<p>To see if the Wilton-Lyndeborough Cooperative School District will vote to raise and appropriate the Budget Committee's recommended amount of \$12,344,652 for the support of schools, for the payment of salaries for the school district officials and agents, and for the payment for the statutory obligations of the district. This article does not include appropriations contained in special or individual articles addressed separately. (Majority vote required)</p> <p>Recommended by the School Board Recommended by the Budget Committee</p> <p>Tax Impact Lyndeborough – (\$0.36) Tax Impact Wilton – (\$0.40)</p>								
2018	05	Collective Bargaining Agreement between The Wilton-Lyndeborough Cooperative School Board and the Wilton-Lyndeborough Cooperative Support Staff Association	<p>To see if the Wilton-Lyndeborough Cooperative School District will vote to approve the cost items included in the collective bargaining agreement reached between the Wilton-Lyndeborough Cooperative School Board and the Wilton-Lyndeborough Cooperative Support Staff Association which calls for the following increases in salaries and benefits at the current staffing levels:</p> <table><tr><td>Fiscal year</td><td>Estimated Increase</td></tr><tr><td>2018-19</td><td>\$ 6,575</td></tr><tr><td>2019-20</td><td>\$16,523</td></tr><tr><td>2020-21</td><td>\$16,601</td></tr></table> <p>and further to raise and appropriate the sum of \$6,575 for the 2018-2019 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels. This article is an individual warrant article and does not include appropriations contained in special or other individual articles addressed separately. (Majority vote required)</p> <p>Recommended by the School Board Recommended by the Budget Committee</p> <p>Tax impact Lyndeborough - \$0.01 Tax impact Wilton - \$0.01</p>	Fiscal year	Estimated Increase	2018-19	\$ 6,575	2019-20	\$16,523	2020-21	\$16,601
Fiscal year	Estimated Increase										
2018-19	\$ 6,575										
2019-20	\$16,523										
2020-21	\$16,601										
2018	06	Special Collective Bargaining Unit Warrant	<p>Shall the Wilton-Lyndeborough Cooperative School District, if WARRANT ARTICLE 5 is defeated, authorize the Wilton-Lyndeborough Cooperative School Board to call one special meeting, at its option, to address WARRANT ARTICLE 5 cost items only? (Majority vote required).</p> <p>Recommended by the School Board</p> <p>This warrant article has no tax impact.</p>								

Wilton-Lyndeborough Cooperative School District
Menu of Potential Warrant Articles for Fiscal Year 2018-2019

Tax Year	WA #	Type	Language
2018	07	Kindergarten	<p>To see if the Wilton-Lyndeborough Cooperative School District will vote to approve expanding of the current kindergarten program to full day and to raise and appropriate the sum of \$117,745 for this purpose. Such cost to be offset by revenues which may be made available by the State of New Hampshire on an annual basis. This article is an individual warrant article and does not include appropriations contained in special or other individual articles addressed separately. (Majority vote required)</p> <p>Recommended by the School Board Not Recommended by the Budget Committee</p> <p>Tax impact Lyndeborough - \$0.08 Tax impact Wilton - \$0.09</p>
2018	08	Use of CRF or ETF and Taxation	<p>To see if the Wilton-Lyndeborough Cooperative School District will vote to raise and appropriate the sum of \$60,000 to be added to the Wilton-Lyndeborough Cooperative Building/Equipment & Roadway Capital Reserve Fund previously established. This sum is to come from general taxation. This article is a special warrant article and is not included in the operating budget warrant article. (Majority vote required)</p> <p>Recommended by the School Board Recommended by the Budget Committee</p> <p>Tax impact Lyndeborough - \$0.11 Tax impact Wilton - \$0.11</p>
2018	09	Other - Blank	<p>To transact any other business that may legally come before this meeting.</p>

Treasurer's Monthly Report
Wilton-Lyndeborough Coop S.D.
Ending December 31, 2017

Cash on Hand June 30, 2017

Cash on Hand - WLC Checking Account	\$ 704,647.19
Cash on Hand - Food Service Account	\$ 14,999.60
Total Cash on Hand June 30, 2017	<u>\$ 719,646.79</u>

Cash on Hand Previous Month

Cash on Hand - WLC Checking Account	\$ 517,151.52
Cash on Hand - Food Service Account	\$ 46,655.61
	<u>\$ 563,807.13</u>

Source	Description	December 2017	YTD 2017-2018
Appropriations	Town of Lyndeborough	\$ 241,146.67	\$ 1,446,880.02
Appropriations	Town of Wilton	\$ 583,419.75	\$ 3,500,518.50
Tuition	Extended Day Program	\$ 2,690.00	\$ 16,700.00
Tuition	Preschool Program	\$ 1,050.00	\$ 4,050.00
Liability Offset	Dental Insurance	\$ 1,612.70	\$ 6,956.37
Liability Offset	COBRA		\$ 1,447.35
Federal Funds	Medicaid	\$ 3,713.63	\$ 55,927.98
Federal Funds	Title I	\$ 16,807.13	\$ 42,726.89
Federal Funds	Title II	\$ 1,104.58	\$ 17,038.92
Federal Funds	IDEA	\$ 22,859.93	\$ 39,008.04
Federal Funds	IDEA Preschool	\$ 688.50	\$ 1,734.00
USAC	E-Rate		\$ 11,354.67
State Funds	Building Aid		\$ 64,000.00
State Funds	Refund - NHRS		\$ 12,582.79
Liability Offset	School Care Wellness		\$ 8,355.00
State Funds	Equitable Aid		\$ 541,921.00
State Funds	Special Education - Cat Aid	\$ 141,067.29	\$ 141,067.29
State Funds	Food Service Reimbursables	\$ 7,810.66	\$ 29,760.06
Local Funds	Food Service Sales	\$ 8,729.05	\$ 40,393.06
Town of Wilton	C/R Building & Road	\$ 16,510.00	\$ 16,510.00
State Funds	Voc Transportation	\$ 2,327.00	\$ 2,327.00
Other	Jean's Friday	\$ 16.00	\$ 1,053.25
Other	Lyndeborough History Book Sales	\$ 600.00	\$ 775.00
Other	Lost Book		\$ 51.75
FRES LCS PTO	Playground Gift		\$ 1,500.00
NE Dairy and Food Council	Equipment Grant- FUTD		\$ 8,900.00
State of New Hampshire	Court Case Repayment		\$ 31.09
Wilton Lions	Use of Facility		\$ 395.00
Town of Lyndeborough	WB Mason Paper		\$ 112.10
Employee	Refund-Unpaid Leave (RH)		\$ 588.88
Houghton Mifflin	Refund		\$ 852.50
Quill	Refund-Duplicate Payment		\$ 130.36
American Discovery	Refund-Duplicate Payment		\$ 12.00
	Total Receipts	<u>\$ 1,052,152.89</u>	<u>\$ 6,015,660.87</u>
General Fund	School Board Orders Paid	\$ 355,785.09	\$ 2,201,345.72
Special Revenue Funds - Grants	School Board Orders Paid	\$ 36,842.75	\$ 106,322.29
Food Service	School Board Orders Paid	\$ 10,519.14	\$ 48,968.91
Prior Year Payables	School Board Orders Paid		\$ 176,448.57
Payroll	School Board Orders Paid	\$ 842,404.66	\$ 3,760,303.79
Transfer to Capital Reserve Fund	School Board Orders Paid		\$ 71,510.00
	Total Disbursements	<u>\$ 1,245,551.64</u>	<u>\$ 6,293,389.28</u>
	Current Activity	\$ (193,398.75)	\$ (277,728.41)
	Month End Cash on Hand Total	\$ 370,408.38	\$ 441,918.38

Cash on Hand - WLC Checking \$ 315,023.72

Cash on Hand - Food Service \$ 55,384.66

Month End Cash on Hand Total \$ 370,408.38

To the WLC Coop School Board:

The above is a correct statement of the transactions of the Treasurer to date.

Cindy Marzella
Wilton-Lyndeborough Coop School District Treasurer

**WILTON-LYNDEBOROUGH COOPERATIVE
SCHOOL BOARD MEETING AND BUDGET COMMITTEE JOINT SESSION
Tuesday, January 23, 2018
Wilton-Lyndeborough Cooperative M/H School-Media Room
6:30 p.m.**

Present: Harry Dailey, Geoff Brock, Matt Ballou, Miriam Lemire, Mark Legere, Joyce Fisk, Carol LeBlanc, Alex LoVerme and Charlie Post (arrived after budget committee mtg.)

Superintendent Bryan Lane, Business Administrator Lise Tucker, Director of Student Support Services Betty Moore, Principal, Tim O'Connell, Director of Technology Kevin Verratti, and Clerk Kristina Fowler

I. CALL TO ORDER

Chairman Dailey called the meeting to order at 6:32pm.

II. ADJUSTMENTS TO THE AGENDA

There were no adjustments to the agenda.

III. PUBLIC COMMENTS

WLC student, Shane Partridge asked for permission to voice record himself, there was no objection. He spoke regarding previous public comment when a student voiced opinion of the state of the honors classes at WLC concerning the amount of rigor. As far as increasing intensity and rigor, he believes it's unfair to implement across the board. He spoke of many students (mostly upper classman) starting to have work obligations of up to 20-21 hours a week and many students playing sports between 1-3 sports a year which can be as many hours as spent working and some doing both. He reported many classes having a range of intelligence and capability on a subject. Many are already being challenged more than they need to be and if there are those who need to be challenged more the way to go about it he feels, is to go about it individually; is there is a way to individualize a class to give those students more or give on line classes or extra credit. He states many students are stressed with classes and there are other ways to make sure the others are being challenged. Chairman Dailey thanked him and noted the challenge is how do we offer everything; being a small district there are advantages and disadvantages and hopes to get student feedback continually. Superintendent Lane is looking at this and ways to individualize.

IV. BOARD CORRESPONDENCE

a. Reports

i. Superintendent's Report

Superintendent Lane reported spending most of his time on the budget which will soon be completed. Information that has been provided to the budget committee is documented in his report. Previously he was asked to obtain information regarding fee for service for kindergarten. In speaking with Caitlin Davis at the DOE he learned other districts are also inquiring about this. The inquiry has been turned over to the Attorney General's Office for clarification and a technical advisory will be sent out. He read the related RSA 198:38 to the group. Draft warrant articles have been sent to the DRA for review. The transportation bid opening was completed and will be discussed later this evening. There is a new piece of legislation out, HB 1263 relative to the home schooling concept. The proposal is to bring the standard of home schooling back to what it was in 2012. He gave a brief overview, currently the only requirement is to send a letter of intent to home school. In 2012 there was a requirement that parents submit a plan annually, take a smarter balanced type test and be in the 40th percentile. If not in the 40th percentile they needed a plan on how to improve and after a year if still below the requirement they would then enroll the student in class because the plan was not functional. He is in favor of home school as long as we are doing good things for kids. A public hearing is scheduled January 25 in Concord; he is not planning on

attending. If the standard changes we would follow the standard. He has experience with the old format and believes it to be effective.

ii. Director of Student Support Services Report

Ms. Moore provided a status update on the number of referrals being processed through special education (10). Crisis Prevention Intervention training is scheduled for February 1st and 2nd. She provided the approval report from the DOE regarding the MS RISE program. She confirmed we are approved for current programs and in addition, approved for the MS program.

iii. Director of Technology's Report

Mr. Verratti reported the first mapping project has been completed. Equipment was moved around and three network switches were identified as being underutilized and will be kept as spares. Two servers 8-9 years old were identified as not serving any function and have been turned off and will be recycled. Security flaws were identified (by security professionals) with all Intel chips known as Spectre and Meltdown. Patches for these flaws come out slowly and he doesn't see a big threat but it should be watched anyway so it doesn't cause problems in the future. There are old systems (7-8 years and not high end) that need to be looked at as we may need to replace or pull them out completely. Chrombooks have the same issue as they have Intel. There has been intermittent issues with poor quality and lag time of phone calls, example, you may wait three seconds before you hear someone. He is working with the vendor and it is being monitored.

b. Letters/Information

i. Honors Classes

Superintendent Lane explained in response to a student concern raised at the last board meeting, he put out a request to teachers and received information back. (What do you do to separate rigor.) Some teachers are creating strong environments for students and any that need help have been directed to Dr. Heon to provide ways to go about this. One thing all were in agreement on is the difference in honors is not the work load. It is how to present the information and find ways to analyze what you are doing. He reviewed what some teachers are doing such as faster pace or using documents such as the Declaration of Independence with data based questions. Feedback included was there was not always a level of effort in some students who are involved in their classes. A level of expectation will be determined that will make sense by way of a formula. He said it is about different work to create a different product because that is the expectation when they leave us. Although he does not have all the answers yet, he is working with staff as well to be sure their issues are addressed. A concern was raised that some students are in honors classes because parents insist on this and it slows down the progress of the class. Superintendent Lane confirmed criteria to get into an honors class will be part of this. If you sign up for a class we do not recommend you for, it may contain some type of sign off by the parents that they understand we would not change the rigor of the class to change its original intent and in a small school a student may be put in another class and you may not get all the classes you want; a process will need to be put in place.

V. CONSENT AGENDA

a. Treasurer's Report-November 2017

A MOTION was made by Mr. Ballou and SECONDED by Mr. Legere to approve the consent agenda as presented.

Voting: all aye; motion carried unanimously.

VI. 7:00PM JOINT BOARD & BUDGET COMMITTEE SESSION

a. FY 2018-2019 Final draft Preparation for Public Hearing

Present: Leslie Browne, Jim Kofalt, Lisa Post, Edwina Hastings, Bill Ryan, Christine Tiedemann, and Pam Altner via telephone.

The budget committee was already in session as they met prior at 6:30pm. They have prepared a presentation regarding the budget; presented by Chairman Browne. A copy of the slides shown can be found with these minutes.

She reported the committee met last week and reviewed the line item budget, looked at items that were increased over last year, compared expenditures from FY17, and reviewed prior presentations. We looked at areas that were significant and looked for justification in them and if we didn't find it we made cuts. The committee has questions on the areas that were unclear to them, want additional information on or what makes up those numbers. Chairman Browne reviewed the proposed budget with reductions and reasons which included:

Proposed budget reductions for SAU:

- \$3,000-professional development, supplies, postage (increase over FY 2017)
- \$10,000-business office (request justification-increase over FY 2017)
 - Total SAU reduction \$13,000

Superintendent Lane answered a question regarding the curriculum coordinator and why this was separated (\$4,100), he reported we didn't have a budget prior to this year, it was created. It is for professional development for conferences, to bring back staff development instead of bringing in outside vendors, travel cost, dues and memberships for NHSAA and Curriculum Development Association. The offset of the expense for membership is reduced cost for staff development. Cost of membership is based on enrollment and is an annual fee. He expects the numbers to be consistent and better determined down the road.

Additional justification was asked regarding the increase in the business office. Superintendent Lane explained two full time positions will be combined into one position. Five thousand six hundred dollars (\$5,600) is allocated for substitute services if needed (temp service) should the one person be out as currently backup is available. The logistics of this were briefly discussed. It was suggested to look into a payroll service or cross train in the office. Superintendent Lane commented if the board wanted to designate that money into a holding fund and used for only its purpose and would be return to the towns if not used he is agreeable to this.

Mr. Kofalt suggested it would be helpful to have some sort of mapping to the running budget.

Proposed budget reductions for technology:

- \$8,000-software (request explanation-increase over FY17)
- \$10,000-replacement equipment (request justification-increase over FY 2017)
 - Total technology reduction \$18,000

Ms. Tucker reported one major expense (\$8,400) is SchoolDude which includes maintenance and IT work orders and CIP licensing (a forecasting module to be used with the CIP) and includes help from the vendor to "put it all together" incorporating data from the facilities study and will be mostly used by Ms. Tucker. Costs about \$6,300 vs, \$1,700 for this piece if we did the work ourselves (mostly data entry). It was noted that the quote seems high and if approved other vendors should be looked at. The annual cost is believed to be about \$1,500 in following years.

Mr. Verratti confirmed replacement equipment does not include 1:1 computing but replacing other systems that are 5-7 years old such as laptops for staff and touchscreen devices for grades 1-2. He explained the cost for camera replacements as two different types of cameras, one for interior and one for exterior. Exterior camera has 360 views including straight down and needs to be heated as it is outside. In the past replacements were on the lower end and we don't get as much life out of them.

Proposed budget reductions for FRES:

- \$5,000-replacement equipment, furniture (specifically rugs, desks, chairs and shelving units and snow blower-request clarification-increase over FY17)
- \$10,000-utilities, contracted services, postage (specifically water, sewage, fuel snowplowing, electricity and building maintenance-increase over FY17)
- \$13,000-math coach (need justification, didn't see value at this time-decrease from FY17 and FY18)

- \$20,000-curriculum (request explanation-increase over FY17 and FY18)

➤ Total FRES reduction \$48,000

Principal O'Connell explained a large amount of instruction takes place on the rugs and although cleaned each summer, about two or three need replacing. Furniture is on an 8 year replacement cycle, although the building is new, 8 classrooms contain repurposed furniture. Shelving units are part of Reader's Workshop, each classroom contains reading libraries and some classrooms are not adequate to have these robust libraries. Mr. Erb confirmed the snow blower has needed to be replaced for years although it is operable, they continue to "Band-Aid it". It was noted allocation of \$2,900 seems high for this. Ms. Tucker confirmed building maintenance/repairs includes preventative repairs, inspections and contracted services such as plumbing, heating and fire protection. She confirmed fuel was based on current CIP at the time and "you take an average" but it does depend on the weather.

Regarding the math coach, the budget committee wanted to see with the addition this year of the RTI and curriculum coordinator if trending would improve (the role of the math coach is to train staff) as not enough time has been given to see results with the addition of these two roles. Superintendent Lane, Principal O'Connell and Dr. Heon, Curriculum Coordinator all support a math coach. There was a long discussion on this subject which included sharing of opinions, the agreed upon need to increase student achievement, the background of elementary teachers training is not focused in math, it is the same model as the Reader's Workshop and significant growth is being made in this area, gaps in math for elementary students have a waterfall effect, not giving what we currently have a chance, and waiting a year to see what progress has been made.

Superintendent Lane spoke regarding the increase in the curriculum line. Reader's Workshop was approved in current budget (\$25,000) and the goal is to maintain this level of improvement and to add Writer's Workshop (\$23,000). It's a one year expense and after that, curriculum pieces would be looked at to see if we need to change the math piece. Also included in the curriculum line is replacement for social studies text books (approximately \$4,700) and Handwriting without Tears.

It was noted transportation increased due to new contracts (includes latest regular education bid) and cost fluctuates as it includes special education transportation.

Proposed budget reductions for LCS:

- \$4,000-utilities, contracted services, repair, postage (increase over FY17-to bring it more in line with previous years)
 - \$2,200-professional development (request explanation-increase over FY17)
 - \$6,000-curriculum (request explanation-increase over FY17)
- Total LCS reduction \$12,200

Superintendent Lane explained professional development includes the LCS portion of the math coach (\$14,400 FRES/\$3,600 LCS=\$18,000 total) this line also includes a portion for Reader's Workshop and Writer's Workshop. Principal O'Connell added Handwriting without Tears is included (new multi-researched based program allows for progress and make strides faster) currently 3rd grade is the last grade we teach handwriting but wish to extend up to 4th grade. It was noted there is an increase in transportation.

Proposed budget reductions for MS:

- \$7,500-replacement equipment, furniture (request explanation-increase over FY17)
 - \$3,000-new equipment furniture (request explanation-increase over FY 2017)
 - \$12,000-travel, dues and fees (increased over FY17)
- Total MS reduction \$22,500

Superintendent Lane explained replacement equipment includes cost for bleachers (split .45MS /.55 HS) and cafeteria tables (.45/.55, 10 tables), and new equipment includes Ecolab cleaning caddy (cost split) for custodians to disinfect the bathrooms which "basically power washes the bathrooms". Superintendent

Lane explained travel/dues and fees include district contribution for fees to 6th grade camp for students who struggle with payment. It also includes athletics transportation which is not in the transportation line. The main purpose of the district van is transporting to/from career and tech classes in Milford and saves the district funds. It is currently transporting one sped student. It is used for other things when it does not interfere with its main purpose often for athletics. He anticipates sharing data on the van use in April. It was pointed out there is a decrease in transportation.

Proposed budget reductions for HS:

- \$7,500-replacement equipment, furniture (request explanation-increase over FY17)
- \$5,000-new equipment (request explanation- increase over FY17)
- \$9,000-curriculum (request explanation-increase over FY17)
 - Total HS reduction \$21,500

Superintendent Lane explained equipment and furniture includes \$5,000 for cafeteria tables (.55 of 10 tables), 5 were replaced last year. Also included is replacement furniture for classrooms and bleachers (.55 split) for outdoors. He explained regarding curriculum there is a STEM initiative (science, technology, engineering, and math) with costs associated in line 1100-650-03 for a combination of computer and technology applications. It was noted a small increase in transportation.

Proposed budget reductions for payroll and benefits:

- reduction of 5th grade teacher (\$71,045)
- added back 2 MS teachers (+\$90,000-not supporting MS proposed model change)
 - Grand Total of proposed budget committee cuts \$116,245.

Chairman Browne concluded with noting appreciation for the cuts made by Superintendent Lane and the need to invest in curriculum which they fully support but they cannot continue to bear a growing budget and came up with areas for reduction as presented. Chairman Dailey acknowledged appreciation for the amount of time and effort that they put into the process, getting better and better each year. Chairman Browne confirmed it is not necessarily their final number, it is a proposal and the budget committee would like to take into consideration (and discuss) the information they received this evening to determine if they want to make any adjustments. Discussion had included the process and this being the first time the school board has seen it. Further discussion was had when the budget committee would meet to discuss, either recess and meet now or a different day and should the next school board meeting include another joint session. Consensus is to include a joint session at the next school board meeting on February 6 and Superintendent Lane noted he hopes an exchange of information could happen prior to that with the understanding all emails sent are a matter of public record. The budget committee is meeting on January 30 and will have a consensus on their proposal. Chairman Browne confirmed the budget committee does not support full day kindergarten in any form, in the budget or as a warrant article at this time.

VII. PUBLIC COMMENTS

Parent, Brianne Lavalley, Lyndeborough spoke in regard to professional development in math noting it is not just something we might need; it's something we have to have. She spoke of seeing multiple students struggle with math and that the math today is very different; it being a multistep process and so involved. She noted it's not just the teachers who need the professional development but the paraeducators also stating even if they understand it they may not know how to communicate it effectively and it being an area the students can really benefit from.

Parent, John Vanderhoof, Lyndeborough asked for clarification on the math coach. Superintendent Lane responded it is professional development similar to what was done around the reading program happening at the end of the school year, during summer and additional days prior to the beginning of school for grades K-5. The consultant (math coach) would come in observe teachers in the same format during the year as the Reader's Workshop is done now. The amount of hours contracted and assumed similar to Reader's Workshop. Teachers observe the consultant conducting lessons and use those strategies in the classroom

and obtain feedback and support. Principal O'Connell confirmed a search would need to be done to find someone to meet the needs and the budget. He states the budget for this is fair and would get us what we need. Superintendent Lane added our curriculum coordinator is not a math specialist and we are looking for a person who has that level of focus, background knowledge. Responding to a question from Ms. Post, he confirmed the need for a curriculum coordinator depended on the long term needs of the district and plan. Discussion was had regarding if math has changed or not and agreed fundamentally it has not however how you get there has. Mr. Kofalt although wants to improve the situation, has concerns investing in something that is an education trend and down the road we would want to go back to basics. Superintendent Lane reviewed STAR 360 (assessment tool) has a math portion and what we are/can learn from using it with a level of consistency. He reviewed the importance understanding word problems and the need to know what to do first and in which order. He states in a larger school district he would hire a full time person however we are not and do not have the same level of need but do have to find a way to make a positive impact. This can be done for a small amount of money in a short time. Answering a question from Ms. Post, he discussed RTI (response to instruction) and the different tiers that exist (tier 1, 2, 3). He confirmed we need the RTI position currently and would continue to evaluate the data for future needs.

Ms. Post voiced preference for the budget committee to recess and meet. She spoke of being pretty satisfied with the proposed budget committee's number and it being close to a final and suggests to the school board they can still get what they want by moving some things around but need to think about where they want to cut. The situation was further discussed with differing opinions voiced including there being no wiggle room left in the budget (to negotiate) as all of the items were cut. Mr. Post questioned if the budget is so locked down it can't be reduced by 1%, and if that 1% was even talked about. Chairman Dailey commented there are statutory and legal requirements (added \$1,000,000 in debt service), there comes a point when we tweak and tweak; we deferred maintenance before and ended up with \$8,000,000 in repairs because so much maintenance was deferred.

Ms. Ashley Saari, reporter (Ledger) questioned if the budget committee's stance on kindergarten was purely financial. Chairman Browne responded a little of both, we don't feel the taxpayers can carry that burden right now and do not see evidence of the benefit. Ms. Post added generally the budget committee does not recommend things that are not mandated. Mr. Kofalt added the studies seem to be split and interpreted the data as a "break even" or negligible regarding benefit of full day. Ms. LeBlanc commented that most people who are financially able choose full day kindergarten for their children and are benefiting from it. Ms. Post noted if you are going to do it she would like to see it as a warrant article. Chairman Dailey added the school board preliminarily voted to remove it as a warrant article.

A MOTION was made by Ms. Tiedemann and SECONDED by Mr. Kofalt to recess the budget committee session at 9:20pm.

Voting: all aye; motion carried unanimously.

VIII. ACTION ITEMS

a. Approve Minutes of Previous Meeting

A MOTION was made by Mr. Ballou and SECONDED by Ms. Fisk to approve the minutes of January 12, 2018 as amended.

Voting: five aye; two abstentions from Mr. Brock and Mr. LoVerme, motion carried.

b. Transportation Bid

Ms. Tucker reported a bid was sent out for regular education transportation; a rebid as board requested. One quote was received from Steve's School Bus Service, she reviewed the quote which included regular to/from \$242,200 180 days, 5 buses (11.61% increase), field trips minimum charge, \$137 (11.61% decrease), athletic trips minimum charge \$137 (14.4% decrease) with a 2% increase in 2019-20 and 2020-21. She recommends awarding the bid to Steve's School Bus Service. Discussion was had regarding the

current bid vs. the previous bid/s and differences, original bid from Steve's School Bus Service was higher than current bid but new bid slightly below Butler's Bus Service and Steve's previous bid asked for 1% annual increase and now asking for 2% annual increase. Discussions continued whether to reissue the RFP (request for proposal) or not, would results be different, the process and if negotiation on current bid should be considered, if non-public session was needed or not. Mr. Ballou noted it would be helpful, referencing an email the board received on this topic, when we get correspondence it becomes part of the minutes. Mr. Ballou recommends rejecting the bid due to the process even though the results may be the same. The contract is for three years.

A MOTION was made by Mr. Brock and SECONDED by Mr. Post to accept the bid from Steve's School Bus Service as presented.

Voting: seven aye; one nay from Mr. Ballou, motion carried.

IX. COMMITTEE REPORTS

i. Budget Liaison

Mr. Post reported the committee gave the board very specific recommendations and wonders (it's his opinion) if it was a trap, they did the diligent work and he believes the school board should act. They took a vote and are not in support of kindergarten in any fashion. They expressed concerns if their budget was voted in the school board would have kindergarten anyway. Chairman Dailey responded with what we are doing now, that amount would have to be added into the budget via a motion at district meeting for the specific amount and he doesn't feel it would be consistent with the will of the people if it was voted down and done anyway. Mr. Ballou noted there was no discussion of a trap and Mr. Post responded it was his opinion because everything was pulled apart and got very involved in curriculum. This started the board budget discussion.

• BOARD BUDGET DISCUSSION

Discussion was had and various opinions shared regarding the budget presentation, process and past history. Mr. Post voiced his concern that the school board did not review the budget line by line as the budget committee did. Appreciation was voiced for the work the budget committee did. Discussion continued including when is the time to "fix things" and the MS model was briefly reviewed; it was questioned why something of this significance was not discussed sooner and that they didn't hear much about the benefits of the proposed change other than monetary. Superintendent Lane explained in this scenario the personnel piece comes toward the end of the budget. He believes there are educational benefits to this and suggests it be reviewed by the Strategic Planning Committee, allow for community input and have a study completed by September/October when the next budget sessions starts. Discussions continued regarding the proposed changes to the MS model and not wanting to discourage this type of out of the box thinking. They discussed proposed cuts from the budget committee and finding common ground and Mr. Post suggests common ground with no tax increase. Chairman Dailey questions if money could be taken out of the special education cap reserve to reduce the budget. Superintendent Lane responded he did not believe it could be part of the budget scenario. Mr. Post noted the committee didn't want to touch the special education budget or technology budget however in the end they did reduce technology. Superintendent Lane confirmed there were \$35,000 cuts in curriculum and \$18,200 in professional development.

Full day kindergarten was discussed and various scenarios and opinions shared including adding it back as a warrant article, motion from the floor, who can motion, it not being as transparent if it is not in the budget and marketing it. The consensus was they do support full day kindergarten.

A MOTION was made by Mr. Ballou and SECONDED by Mr. Brock to add a warrant article to extend kindergarten to full day.

Voting: six aye; two nay from Mr. Post and Ms. Lemire, motion carried.

Ms. Lemire noted that she fully supports kindergarten but feels it is more hidden to have it as a warrant article as it's an annual cost that is not in the budget. She understands it is clear as a warrant article but if it's educationally appropriate it is more transparent to put it in the budget as part of our curriculum and not excluding it.

Superintendent Lane clarified since full day kindergarten will be a warrant article it can be marketed, at that point at district meeting a citizen could still motion (with dollar figure) to put it in the budget and the body makes the decision.

X. RESIGNATIONS / APPOINTMENTS / LEAVES

There were none to report

XI. BOARD BUDGET DISCUSSION

See above.

XII. PUBLIC COMMENTS

Mr. John Vanderhoof, parent (Lyndeborough) questioned if the DOE responds to say you can charge fees for kindergarten and extend to full day is that going to be brought back as a topic. Superintendent Lane responded the information will be brought back to the board. Mr. Brock added he believes we need a vehicle to have the public decide how they want to do it as it is a different program if we are charging people.

XIII. ADJOURNMENT

A MOTION was made by Mr. Brock and SECONDED by Ms. Fisk to adjourn the Board meeting at 10:26pm.

Voting: all aye; motion carried unanimously.

*Respectfully submitted,
Kristina Fowler*



Edward T. Perry, CPA

James A. Sojka, CPA*

Sheryl A. Pratt, CPA

Michael J. Campo, CPA, MACCY

Donna M. LaClair, CPA**

Ashley J. Miller, CPA, MSA

Tyler A. Paine, CPA

Kyle G. Gingras, CPA

Scott T. Eagen, CFE

* Also licensed in Maine

** Also licensed in Massachusetts

January 19, 2018

To the Members of the School Board
Wilton-Lyndeborough Cooperative School District
and Ms. Lise Tucker, Business Administrator
192 Forest Road
Lyndeborough, NH 03082

Dear Members of the Board

We have audited the financial statements of the governmental activities, each major fund, and aggregate remaining fund information of Wilton-Lyndeborough Cooperative School District for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, 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 February 20, 2017. 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 Wilton-Lyndeborough Cooperative School District are described in Note 1 to the financial statements. New accounting policies were adopted and the application of existing policies was not changed during the year for the following:

GASB Statement No. 72, *Fair Value Measurement, and Application* – The guidance contained in this Statement addresses accounting and financial reporting issues related to fair value measurements.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* – This Statement reduces the GAAP Hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement supersedes Statement No. 55.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* – This Statement addresses accounting and financial reporting for certain external investment pools and pool participants and specifically establishes criteria for pools to qualify to measure investments at amortized costs.

We noted no transactions entered into by Wilton-Lyndeborough Cooperative School District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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.

PLODZIK & SANDERSON
Professional Association / Accountants & Auditors

The most sensitive estimates affecting the Wilton-Lyndeborough Cooperative School District's financial statements were:

Management's estimate of the capital asset useful lives is based on historical information and industry guidance. We evaluated the key factors and assumptions used to develop the capital asset useful lives in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the other postemployment benefit liability is based on assumption of future events, such as employment, mortality and the healthcare cost trend, as well as estimates of the value of reported amounts. We evaluated key factors and assumptions used to develop the other postemployment benefits liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension liability, deferred inflows and outflows of resources related to pensions are based on assumptions of future events, such as employment, mortality and estimates of value of reported amounts. We evaluated the key factors and assumptions used to develop the net pension liability, deferred inflows and outflows of resources related to pensions in determining that it is reasonable in relation to the financial statements taken as a whole.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Adjustments proposed and approved were primarily of a routine nature which management expects the independent auditors to record as part of their year-end procedures. A list of these adjustments for the general fund is attached to this letter.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 17, 2018.

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 Wilton-Lyndeborough Cooperative School District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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



Student Activity Fund

During the review of deposits, it was noted that three out of four deposits for the Lyndeborough Central School and two out of four deposits for Florence Rideout Elementary School tested did not have the bank deposit receipt attached. Bank deposit receipts should be maintained and attached to supporting documentation for verification of deposit. We recommend that a deposit receipt be obtained from the bank and retained for each deposit.

Other Matters

Implementation of New GASB Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements.

GASB Statement No. 75 *Accounting, and Financial Reporting for Postemployment Benefits Other than Pensions*, issued in June 2015, will be effective for the School District beginning with its fiscal year ending June 30, 2018. This Statement improves the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB). This statement replaces the requirements of Statements No. 45 and No. 57.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, issued in March 2016, will be effective for the School District beginning with its fiscal year ending June 30, 2018. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

GASB Statement No. 82, *Pension Issues-an amendment of GASB Statements No. 67 No. 68 and No. 73*, issued in March 2016, will be effective for the School District beginning with its fiscal year ending June 30, 2018. This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

GASB Statement No. 83, *Certain Asset Retirement Obligations*, issued in November 2016, will be effective for the School District beginning with its fiscal year ending June 30, 2019. It addresses accounting and financial reporting for certain asset retirement obligations and establishes criteria for determining timing and pattern of recognition of a liability and corresponding deferred outflow of resources.

GASB Statement No. 84, *Fiduciary Activities*, issued in January 2017, will be effective for the School District beginning with its fiscal year ending June 30, 2020. This Statement will improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

GASB Statement No. 85, *Omnibus 2017*, issued in March 2017, will be effective for the School District with its fiscal year ending June 30, 2018. This Statement addresses practice issues identified during implementation of certain GASB Statements.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, issued in May 2017, will be effective for the School District with its fiscal year ending June 30, 2018. This Statement improves the consistency of accounting and financial reporting for certain debt extinguishment transactions.

GASB Statement No. 87, *Leases*, issued in June 2017, will be effective for the School District with its fiscal year ending June 30, 2021. This Statement will improve accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases.

We applied certain limited procedures to Management Discussion and Analysis, Schedule of Funding Progress for Other Postemployment Benefit Plan, Schedule of School District's Proportionate Share of Net Pension Liability, and Schedule of School District Contributions, which are required supplementary information (RSI) that supplements the basic financial



statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on combining and individual fund schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

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

Respectfully,

Plodzik & Sanderson

PLODZIK & SANDERSON
Professional Association

Enclosures



Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Worksheet
4.01	Adjusting	06/30/17					
		04-0410-000-00-000000	Intergovernmental Payable	38,406.00			
		04-0770-000-00-000000	Unreserved Fund Balance		38,406.00		
			To reclassify as accounts payable.			0.00	

WILTON-LYNDEBOROUGH COOP SCHOOL DISTRICT
General Fund - Audit Adjusting Journal Entries

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper
4.02	Adjusting	06/30/17					
		04-1100-610-02-00000	General Supplies/Paper/Tests-MS	287.68			
		04-1100-610-03-00000	General Supplies/Paper/Tests-HS	427.83			
		04-1100-610-11-00000	General Supplies/Paper/Tests-FRE	37.40			
		04-1100-731-02-00000	New Equipment-MS	568.00			
		04-1100-731-03-00000	New Equipment-HS	852.00			
		04-1100-734-11-10000	New Computers - FRES TECH	494.99			
		04-1100-735-02-00000	Replacement Equipment-MS	35.98			
		04-1100-735-03-00000	Replacement Equipment-HS	53.97			
		04-1390-561-03-00000	Vocational Education Tuition-HS	9,141.89			
		04-2152-610-12-00000	S/L Path Genl Supplies/Paper-LCS	112.20			
		04-2190-323-02-00000	Other Student Support Services-M	2,700.00			
		04-2190-323-03-00000	Other Student Support Services-HS	500.00			
		04-2210-290-02-00000	Staff Development-teachers-MS	340.96			
		04-2210-290-03-00000	Staff Development-teachers-HS	511.44			
		04-2210-291-11-00000	Staff Development-support-FRES	279.20			
		04-2321-321-01-00000	Contracted Services-SAU	1,200.00			
		04-2321-540-01-00000	Ads & Notices-SAU	229.50			
		04-2321-580-01-00000	Travel & Conferences-SAU	12.69			
		04-2410-580-02-00000	Travel/Conferences-MS	204.62			
		04-2410-580-03-00000	Travel/Conferences-HS	306.91			
		04-2410-610-02-00000	General Supplies/Paper-MS	26.21			
		04-2410-610-03-00000	General Supplies/Paper-HS	37.17			
		04-2490-890-02-00000	Graduation/Assembly Expenses-M	166.12			
		04-2490-890-03-00000	Graduation/Assembly Expenses-HS	249.17			
		04-2490-890-11-00000	Graduation/Assembly Expenses-FI	75.00			
		04-2510-449-01-00000	Rental of Equipment- Business Off	93.00			
		04-2510-580-01-00000	Travel/Conferences - Business	55.00			
		04-2620-331-01-00000	Other Professional Services - Facil	1,100.00			
		04-2620-411-02-00000	Water/Sewerage-MS	2,477.00			
		04-2620-411-03-00000	Water/Sewerage-HS	3,715.50			
		04-2620-411-11-00000	Water/Sewerage-FRES	4,210.00			
		04-2620-424-02-00000	Lawn & Grounds - Athletics Maint	688.00			
		04-2620-424-03-00000	Lawn & Grounds - Athletics Maint	1,032.00			
		04-2620-430-02-00000	Repairs & Maintenance Serv -MS	56,521.20			
		04-2620-430-03-00000	Repairs & Maintenance Serv -HS	91,206.80			
		04-2620-610-02-00000	General Supplies/Paper-MS	509.49			
		04-2620-610-03-00000	General Supplies/Paper-HS	733.84			
		04-2620-610-11-00000	General Supplies/Paper-FRES	1,174.02			
		04-2620-610-12-00000	General Supplies/Paper-LCS	233.38			
		04-2620-622-02-00000	Electricity-MS	1,504.96			
		04-2620-622-03-00000	Electricity-HS	2,257.45			
		04-2620-622-11-00000	Electricity-FRES	115.47			
		04-2844-331-01-00000		1,100.00			
		04-2844-580-11-00000	Travel/Conferences-FRES	138.00			

WILTON-LYNDEBOROUGH COOP SCHOOL DISTRICT
General Fund - Audit Adjusting Journal Entries

Prepared by _____
Reviewed by _____

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper
		04-0770-000-00-00000	Unreserved Fund Balance		187,716.04		
		To adjust opening FB for expend of PY encumbrances which were run thorough Fund 99				(187,716.04)	A #10.0
4.03	Adjusting	06/30/17					
		04-4580-000-00-00000	Medicaid		1,225.71		
		04-0770-000-00-00000	Unreserved Fund Balance	1,225.71			
		To remove immaterial variance in FB.				1,225.71	
4.04	Adjusting	06/30/17					
		04-5251-930-00-00000	Transfer to Capital Reserve	10,145.50			
		04-0130-000-00-00000	Interfund		10,145.50		
		To record return of Capital Reserve Fund, reduction due to unanticipated ERate Fund used to fund project.				(10,145.50)	AF #3.6(1)
4.05	Adjusting	06/30/17					
		04-0771-000-00-00000	Nonspendable Fund Balance		15,066.00		
		04-0770-000-00-00000	Unreserved Fund Balance	15,066.00			
		To record nonspendable fund balance				0.00	
		TOTAL		<u>252,559.25</u>	<u>252,559.25</u>	<u>(196,635.83)</u>	

**WILTON-LYNDEBOROUGH
COOPERATIVE SCHOOL DISTRICT**

ANNUAL FINANCIAL REPORT

**AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT

AS OF AND FOR THE FISCAL YEAR ENDED

JUNE 30, 2017

TABLE OF CONTENTS

	<u>PAGES</u>
INDEPENDENT AUDITOR'S REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS.....	3 - 12

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements

A	Statement of Net Position	13
B	Statement of Activities	14

Fund Financial Statements

Governmental Funds

C-1	Balance Sheet	15
C-2	Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	16
C-3	Statement of Revenues, Expenditures, and Changes in Fund Balances.....	17
C-4	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18

Budgetary Comparison Information

D-1	Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) – General Fund	19
D-2	Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (GAAP Basis) – Food Service Fund	20

Fiduciary Funds

E	Statement of Net Position	21
---	---------------------------------	----

NOTES TO THE BASIC FINANCIAL STATEMENTS	22 - 36
------------------------------------------------------	----------------

REQUIRED SUPPLEMENTARY INFORMATION

F	Schedule of Funding Progress for Other Postemployment Benefit Plan	37
G	Schedule of the School District's Proportionate Share of Net Pension Liability.....	38
H	Schedule of School District Contributions	39

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION	40
--------------------------------------------------------------	-----------

COMBINING AND INDIVIDUAL FUND SCHEDULES

Governmental Funds

Major General Fund

1	Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis).....	41
2	Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)	42
3	Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)	43

Nonmajor Governmental Funds

4	Combining Balance Sheet	44
5	Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances.....	45

Fiduciary Funds

Agency Funds

6	Student Activities Funds – Combining Schedule of Changes in Student Activities Funds.....	46
---	-------------------------------------------------------------------------------------------	----



PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

193 North Main Street • Concord • New Hampshire • 03301-5063 • 603-225-6996 • FAX- 603-224-1380

INDEPENDENT AUDITOR'S REPORT

To the Members of the School Board
Wilton-Lyndeborough Cooperative School District
Wilton, New Hampshire

We have audited the accompanying financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the Wilton-Lyndeborough Cooperative School District as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Wilton-Lyndeborough Cooperative School District, as of June 30, 2017, and the respective changes in financial position and, the respective budgetary comparison for the general fund and the food service fund 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, the Schedule of Funding Progress for Other Postemployment Benefit Plan, the Schedule of District's Proportionate Share of Net Pension Liability, and the Schedule of School District Contributions 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

***Wilton-Lyndeborough Cooperative School District
Independent Auditor's Report***

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 Wilton-Lyndeborough Cooperative School District's basic financial statements. The combining and individual fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund schedules 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 fund schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

January 17, 2018

*Plodzik & Sanderson
Professional Association*

Management's Discussion and Analysis
For the Period Ending
June 30, 2017

As management of the Wilton-Lyndeborough Cooperative School District (District), we offer readers of the District's financial statements this narrative that represents an overview and analysis of the financial activities for the fiscal year ending June 30, 2017. We encourage you to read and review the information presented here in conjunction with additional information that we have furnished in the District's annual audited financial statements, which accompany this report.

Financial Highlights

The District's total combined net position decreased from \$(4,300,337) to \$(4,588,517), a decrease of \$288,180 between FY 2016 and FY 2017.

Note: The District's negative net position is due to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements require employers to recognize their proportionate share of collective net pension liability based upon their plan contributions for the year.

- The District's capital assets decreased from \$10,809,773 to \$10,717,117 between FY 2016 and FY 2017. This represents a decrease of \$92,656 or .86%. Refer to the Notes to the Basic Financial Statements - Note 5. It reflects the recording of final construction payments and current year depreciation on applicable assets.
- The District's net pension liability increased from \$6,789,230 to \$8,786,887 between FY 2016 and FY 2017. This represents an increase of \$1,997,657. This is primarily due to changes in assumptions. Refer to the Notes to the Basic Financial Statements - Note 9. The mortality rate was updated from a 2000 table to a 2014 table.
- The District's total debt for FY 2017 was \$9,140,570 a decrease of \$350,032 (3.83%). The reduction was due to the lowering of the total outstanding balance on bonds.

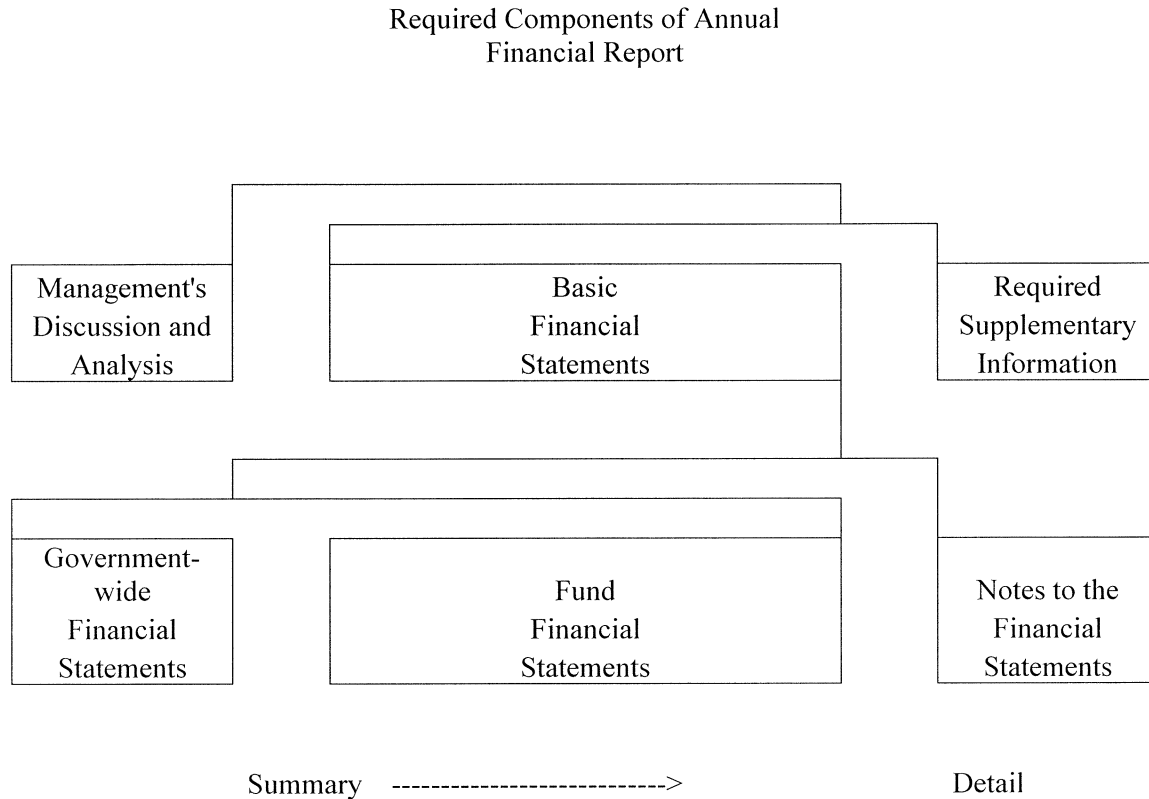
Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Wilton-Lyndeborough Cooperative School District's basic financial statements. The District's basic financial statements consists of three components:

- 1) Government-wide financial statements
- 2) Fund financial statements
- 3) Notes to the basic financial statements
- 4) Required supplementary information

Management's Discussion and Analysis
For the Period Ending
June 30, 2017

In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Wilton-Lyndeborough Cooperative School District.



Basic Financial Statements

The basic financial statement includes two kinds of statements that present different views of the District.

The first two statements in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the District's overall financial status.

The remaining statements are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the District's government. These statements provide more detail than the government-wide statements.

The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.

Fiduciary fund statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong.

Management's Discussion and Analysis
For the Period Ending
June 30, 2017

The next section of the basic financial statements is the **Notes to the Financial Statements**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **Required Supplementary Information** is provided that further explains and supports the information about the District's other postemployment benefit liability.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the District's finances, similar in format to a financial statement of a private-sector business. The statement of net position includes all of the government's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expense are accounted for in the statement of activities regardless of when the cash is received or paid. The government-wide statements provide short and long-term information about the District's financial status as a whole.

The two government-wide statements report the District's net position and how they have changed. Net position is the difference between the District's total assets, deferred outflows of resources, total liabilities, and deferred inflows of resources. Measuring net position is one way to measure the District's financial position.

- Over time, increases and decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional non-financial factors such as changes in the District's tax base.

The government-wide financial statements are on Exhibits A and B of the annual financial report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the District's more significant funds – not the District as a whole. 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.

- Some funds are required by State law.
- The School Board establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The Wilton-Lyndeborough Cooperative School District uses two kinds of funds:

- Governmental funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements.

Management's Discussion and Analysis
For the Period Ending
June 30, 2017

Most of the District's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the District's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is part of the fund financial statements.

The District adopts an annual budget for its General, Food Service, and Grants Funds, as required by the New Hampshire Statutes. The budget is a legally adopted document that incorporates input from the citizens of the District, the management of the schools and SAU 63, and the decisions of the School Board about which services to provide and how to pay for them. It also authorizes the District to obtain funds from identified sources to finance these current period activities. The budgetary statements provided for the General Fund demonstrates how well the District complied with the budget adopted and whether or not the District succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statements use the budgetary basis of accounting and are presented using the same format, language, and classifications as the legal budget document. The statement shows three columns: 1) the original and final budget as adopted by the board; 2) the actual resources and charges to appropriations; and 3) the difference or variance between the adopted budget and the actual resources and charges. The other governmental funds are Food Service and Grants.

- Fiduciary funds – The District is the fiduciary for certain funds such as the Student Activity Funds. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary balances are reported in a separate statement of Fiduciary Net Position. These are excluded from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

Notes to the Basic 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 basic financial statements begin on page 22 of the annual audit report.

Management's Discussion and Analysis
For the Period Ending
June 30, 2017

Other Information

In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information. This is where the schedule of funding progress for the other postemployment benefit plan is presented. Required supplementary information can be found in the annual financial report.

The Wilton-Lyndeborough Cooperative School District's Net Position

	<u>2017</u>	<u>2016</u>	<u>% Change</u>
Current and Other Assets	\$ 1,196,912	\$ 2,018,320	-40.70%
Capital Assets	<u>10,717,117</u>	<u>10,809,773</u>	<u>-0.86%</u>
Total Assets	<u>\$ 11,914,029</u>	<u>\$ 12,828,093</u>	<u>-7.13%</u>
Deferred Outflows of Resources	<u>2,537,501</u>	<u>986,636</u>	157.19%
Long-Term Liabilities	\$ 17,648,796	\$ 16,227,136	8.76%
Outstanding			
Other Liabilities	<u>963,671</u>	<u>844,380</u>	<u>14.13%</u>
Total Liabilities	<u>\$ 18,612,467</u>	<u>\$ 17,071,516</u>	<u>9.03%</u>
Deferred Inflows of Resources	<u>427,580</u>	<u>1,043,550</u>	-59.03%
Net Investment in Capital Assets	\$ 1,377,982	\$ 1,319,171	4.46%
Restricted	15,644	261,443	-94.02%
Unrestricted Net Position	<u>(5,982,143)</u>	<u>(5,880,951)</u>	<u>1.72%</u>
(Deficit)			
Total Net Position	<u>\$ (4,588,517)</u>	<u>\$ (4,300,337)</u>	<u>6.70%</u>

Net position of the District's governmental activities decreased 6.7% or \$288,180 as of June 30, 2017. Although the District's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

The District received \$12,099,114 from all sources of revenue. Seventy-one percent (\$8,612,541) of the District's revenue came from local taxes. Twenty-one percent (\$2,539,511) came from the state education tax and the state adequacy grant. Five percent (\$645,144) came from various state and federal grants. Two percent (\$199,156) came from other local revenues. The other one percent (\$102,762) came from other financing sources; capital reserve – building equipment trust fund.

Management's Discussion and Analysis
For the Period Ending
June 30, 2017

The deficit in unrestricted net position is a result of unfunded long-term liabilities. This includes Compensated Absences, Other Postemployment Benefits and Pension Liability. These obligations are funded in each current year budget as needed.

Wilton-Lyndeborough Cooperative School District's

Summary of Changes in Net Position				
Governmental Activities				
	2017	2016	Dollar	Percentage
	Amount	Amount	Difference	Difference
Revenues:				
Program Revenue:				
Charges for Services	\$ 163,609	\$ 147,546	\$ 16,063	9.82%
Operating Grants and Contributions	465,176	503,819	(38,643)	-8.31%
Capital Grants and Contributions	128,000	130,000	(2,000)	-1.56%
General Revenue:				
School District Assessment	8,612,541	8,440,034	172,507	2.00%
Unrestricted Grants	2,696,889	2,689,429	7,460	0.28%
Miscellaneous & Interest	32,899	81,468	(48,569)	-147.63%
Total Revenues	12,099,114	11,992,296	106,818	0.88%
Expenses:				
Instruction	6,711,189	6,294,764	416,425	6.20%
Support Services:			0	
Student	1,545,063	1,282,346	262,717	17.00%
Instructional Staff	227,124	406,283	(179,159)	-78.88%
General Administration	12,991	17,800	(4,809)	-37.02%
Executive Administration	446,281	442,446	3,835	0.86%
School Administration	773,204	720,944	52,260	6.76%
Business	318,133	309,217	8,916	2.80%
Operation and Maintenance of Plant	1,079,030	973,343	105,687	9.79%
Student Transportation	460,630	460,599	31	0.01%
Other	214,532	281,991	(67,459)	-31.44%
Noninstructional Services	220,458	213,529	6,929	3.14%
Interest on Long-Term Debt	378,659	377,385	1,274	0.34%
Total Expenses	12,387,294	11,780,647	606,647	4.90%
Change in Net Position	(288,180)	211,649	(499,829)	173.44%
Net Position - Beginning	(4,300,337)	(4,511,986)	211,649	-4.92%
Net Position - Ending	\$ (4,588,517)	\$ (4,300,337)	\$ (288,180)	6.28%

Management's Discussion and Analysis
For the Period Ending
June 30, 2017

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the District's financing requirements.

On June 30, 2017, the governmental funds of the Wilton-Lyndeborough Cooperative School District reported a combined fund balance of \$1,005,378. Included in the total fund balance are fund balances in the General Fund, Food Service, and Special Revenue Funds. The Special Revenue Funds include Grants and other Governmental Funds.

General Fund Budgetary Highlights:

Beginning Fund Balance	177,268
Fund Balance used to reduce assessment	(170,994)
Estimated Fund Balance per Report:	
Revenue Surplus:	308,811
Unexpended Balance of appropriations:	<u>118,607</u>
2016-17 Budget Surplus	427,418
Audited Unassigned Fund Balance (to Offset Tax Rate):	433,692

Unanticipated Revenue is comprised of the following:

Unanticipated/(Deficit) of Revenue Budget	
Other Local Sources:	
Tuition	5,820
Investment Income	(5,000)
Rental	3,540
Miscellaneous	8,611
State Sources:	
Catastrophic Aid	(1,869)
Child Care Aid	1,318
Vocational Aid	77
Federal Sources:	
Medicaid	29,443
Other Sources:	
Transfer in from Capital Project surplus	164,109
Transfer in from Capital Reserve - Bldg Improve	<u>102,762</u>
Total Revenue Surplus	<u>308,811</u>

Management's Discussion and Analysis
For the Period Ending
June 30, 2017

Capital Assets and Debt Administration

Capital assets:

The District's investment in capital assets for its governmental activities as of June 30, 2017, totals \$10,717,117 (net of accumulated depreciation). These assets include buildings, land, construction in progress, machinery and equipment, athletic fields and facilities, and vehicles.

Wilton-Lyndeborough Cooperative School District Capital Assets

	Governmental Activities		
	(Net of Depreciation)		
	June 30, <u>2017</u>	June 30, <u>2016</u>	Change <u>2016-2017</u>
Land	\$ 1,004,900	\$ 1,004,900	0.00%
Work in Progress	-	8,037,809	-100.00%
Buildings & Improvements	9,683,659	1,734,423	458.32%
Machinery, Vehicles & Equipment	<u>28,558</u>	<u>32,641</u>	<u>-12.51%</u>
Total	<u>\$ 10,717,117</u>	<u>\$ 10,809,773</u>	<u>-0.86%</u>

The Wilton-Lyndeborough Cooperative School District considers a capital asset to be an asset whose costs exceed \$10,000 and has a useful life of greater than one (1) year. Assets are depreciated using the straight-line method over the course of their useful life. Note I-H of the Notes to the Basic Financial Statements, states that Building and building improvements have a useful life of 20 to 30 years. While Machinery and Equipment, which includes Vehicles, have a useful life of 10 years.

Additional information on the School District's capital assets can be found in Note 5 of the Notes to the Basic Financial Statements.

Management's Discussion and Analysis
For the Period Ending
June 30, 2017

Long-term Debt:

As of June 30, 2017, the district had total bonded debt outstanding of \$9,140,570.

Wilton-Lyndeborough Cooperative School District's Outstanding Long-Term Debt

	Governmental Activities		
	June 30, <u>2017</u>	June 30, <u>2016</u>	Change <u>2016-17</u>
General Obligation Bonds Payable			
Middle/High School Renovation	\$ 960,000	\$ 1,280,000	-25.00%
Florence Rideout Elementary Renov	7,640,000	7,640,000	0.00%
Unamortized Bond Premiums	<u>540,570</u>	<u>570,602</u>	<u>-5.26%</u>
Total	<u>\$ 9,140,570</u>	<u>\$ 9,490,602</u>	<u>-3.69%</u>

At the end of FY 2017, the District had \$9,140,570 in General Obligation bonds outstanding, a decrease of 3.69% under last year as shown above. During fiscal year 2017 the District showed a reduction of \$350,032. This is a result of a decrease on the outstanding school bonds.

New Hampshire general statutes limit the amount of general obligation debt that a school district can issue to 7 percent of the total assessed value of taxable property located within that town's boundaries. The total combined assessed valuations for Wilton and Lyndeborough is \$535,804,711. The legal debt limit for the Cooperative District is \$37,506,330. As stated above, the District's outstanding debt as of June 30, 2017 is \$9,140,570.

See Note 8 in the Notes to the Basic Financial Statements for a summary of all outstanding long-term liabilities.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the growth and prosperity of the District:

- According to the New Hampshire Economic and Labor Market Information Bureau, the Northeast Urban consumer price index for all consumers (not seasonally adjusted) for June, 2017 was 259.335, up from 255.532 the prior year. During the same time period the national CPI increased from 244.955 to 241.038, an increase of 1.6%.
- Student enrollment continues to decrease. The enrollment in June, 2017, was 570 including 38 kindergarten students. It is projected that enrollment for grades one through twelve will decrease in future years.

Management's Discussion and Analysis
For the Period Ending
June 30, 2017

- Health insurance rates continue to increase. The increase in health coverage is increasing at a rate higher than salaries. Consumer driven plans are replacing the traditional health plans to help minimize the rate increases.

Requests for Information

This report is designed to provide an overview of the District's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information regarding the District's annual financial report should be directed to the Office of the Superintendent of Schools, 192 Forest Road, Lyndeborough, NH 03082 or by telephone to the Business Administrator at 603-732-9174.

BASIC FINANCIAL STATEMENTS

EXHIBIT A
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Statement of Net Position
June 30, 2017

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 719,811
Accounts receivables	17,504
Intergovernmental receivable	434,236
Inventory	7,609
Prepaid items	17,752
Capital assets, not being depreciated	1,004,900
Capital assets, net of accumulated depreciation	9,712,217
Total assets	<u>11,914,029</u>
DEFERRED OUTFLOWS OF RESOURCES	
Amounts related to pensions	<u>2,537,501</u>
LIABILITIES	
Accounts payable	143,680
Intergovernmental payable	2,607
Accrued interest payable	143,284
Accrued salaries and benefits	44,068
Noncurrent obligations:	
Due within one year	630,032
Due in more than one year	17,648,796
Total liabilities	<u>18,612,467</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - grants	1,179
Amounts related to pensions	426,401
Total deferred inflows of resources	<u>427,580</u>
NET POSITION	
Net investment in capital assets	1,377,982
Restricted	15,644
Unrestricted	(5,982,143)
Total net position	<u>\$ (4,588,517)</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT B
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2017

		Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Change in Net Position
	Expenses				
Governmental activities:					
Instruction	\$ 6,711,189	\$ 51,120	\$ 223,944	\$ -	\$ (6,436,125)
Support services:					
Student	1,545,063	-	108,998	-	(1,436,065)
Instructional staff	227,124	-	31,713	-	(195,411)
General administration	12,991	-	-	-	(12,991)
Executive administration	446,281	-	-	-	(446,281)
School administration	773,204	-	-	-	(773,204)
Business	318,133	-	-	-	(318,133)
Operation and maintenance of plant	1,079,030	3,740	-	-	(1,075,290)
Student transportation	460,630	-	3,077	-	(457,553)
Other	214,532	-	-	-	(214,532)
Noninstructional services	220,458	108,749	97,444	-	(14,265)
Interest on long-term debt	378,659	-	-	128,000	(250,659)
Total governmental activities	<u>\$ 12,387,294</u>	<u>\$ 163,609</u>	<u>\$ 465,176</u>	<u>\$ 128,000</u>	<u>(11,630,509)</u>
General revenues:					
School district assessment					8,612,541
Grants and contributions not restricted to specific programs					2,696,889
Miscellaneous					32,899
Total general revenues					<u>11,342,329</u>
Change in net position					(288,180)
Net position, beginning					<u>(4,300,337)</u>
Net position, ending					<u>\$ (4,588,517)</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-1
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2017

	General	Food Service	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 704,647	\$ 15,164	\$ -	\$ 719,811
Receivables:				
Accounts	11,355	6,149	-	17,504
Intergovernmental	406,708	5,328	22,200	434,236
Interfund receivables	54,548	-	-	54,548
Inventory	-	7,609	-	7,609
Prepaid items	15,066	2,686	-	17,752
Total assets	<u>\$ 1,192,324</u>	<u>\$ 36,936</u>	<u>\$ 22,200</u>	<u>\$ 1,251,460</u>
LIABILITIES				
Accounts payable	\$ 140,849	\$ 2,831	\$ -	\$ 143,680
Accrued salaries and benefits	44,068	-	-	44,068
Intergovernmental payable	2,607	-	-	2,607
Interfund payable	-	33,527	21,021	54,548
Total liabilities	<u>187,524</u>	<u>36,358</u>	<u>21,021</u>	<u>244,903</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - grants	<u>-</u>	<u>-</u>	<u>1,179</u>	<u>1,179</u>
FUND BALANCES (DEFICIT)				
Nonspendable	15,066	10,295	-	25,361
Committed	388,219	-	-	388,219
Assigned	182,889	-	-	182,889
Unassigned (deficit)	418,626	(9,717)	-	408,909
Total fund balances	<u>1,004,800</u>	<u>578</u>	<u>-</u>	<u>1,005,378</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,192,324</u>	<u>\$ 36,936</u>	<u>\$ 22,200</u>	<u>\$ 1,251,460</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-2
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2017

Total fund balances of governmental funds (Exhibit C-1)		\$ 1,005,378
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources, therefore, are not reported in the funds.		
Cost	\$ 15,846,274	
Less accumulated depreciation	<u>(5,129,157)</u>	
		10,717,117
Certain items are not current financial resources in the governmental funds, but instead are reported in the Statement of Net Position.		
Deferred outflows of resources related to pensions	\$ 2,537,501	
Deferred inflows of resources related to pensions	<u>(426,401)</u>	
		2,111,100
Interfund receivables and payables between governmental funds are eliminated on the Statement of Net Position.		
Receivables	\$ (54,548)	
Payables	<u>54,548</u>	
		-
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(143,284)
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the funds.		
Bonds	\$ 8,600,000	
Unamortized bond premium	540,570	
Compensated absences	152,806	
Other postemployment benefits	198,565	
Net pension liability	<u>8,786,887</u>	
		<u>(18,278,828)</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ (4,588,517)</u></u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-3
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2017

	General	Food Service	Other Governmental Funds	Total Governmental Funds
REVENUES				
School district assessment	\$ 8,612,541	\$ -	\$ -	\$ 8,612,541
Other local	87,450	109,287	2,419	199,156
State	2,829,284	2,899	-	2,832,183
Federal	109,443	94,007	251,784	455,234
Total revenues	<u>11,638,718</u>	<u>206,193</u>	<u>254,203</u>	<u>12,099,114</u>
EXPENDITURES				
Current:				
Instruction	6,183,106	-	113,183	6,296,289
Support services:				
Student	1,380,741	-	108,998	1,489,739
Instructional staff	188,585	-	31,713	220,298
General administration	12,991	-	-	12,991
Executive administration	442,455	-	-	442,455
School administration	740,785	-	-	740,785
Business	307,469	-	-	307,469
Operation and maintenance of plant	1,018,859	-	-	1,018,859
Student transportation	460,630	-	-	460,630
Other	184,938	-	-	184,938
Noninstructional services	-	220,458	-	220,458
Debt service:				
Principal	320,000	-	-	320,000
Interest	390,490	-	-	390,490
Facilities acquisition and construction	-	-	97,643	97,643
Total expenditures	<u>11,631,049</u>	<u>220,458</u>	<u>351,537</u>	<u>12,203,044</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,669</u>	<u>(14,265)</u>	<u>(97,334)</u>	<u>(103,930)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	164,109	14,265	-	178,374
Transfers out	(14,265)	-	(164,109)	(178,374)
Total other financing sources (uses)	<u>149,844</u>	<u>14,265</u>	<u>(164,109)</u>	<u>-</u>
Net change in fund balances	157,513	-	(261,443)	(103,930)
Fund balances, beginning	847,287	578	261,443	1,109,308
Fund balance, ending	<u>\$ 1,004,800</u>	<u>\$ 578</u>	<u>\$ -</u>	<u>\$ 1,005,378</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-4
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2017

Net change in fund balances of total governmental funds (Exhibit C-3)		\$ (103,930)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. In the Statement of Activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capitalized capital outlay in the current period.		
Capitalized capital outlay	\$ 51,382	
Depreciation expense	<u>(144,038)</u>	
		(92,656)
Transfers in and out between governmental funds are eliminated on the Statement of Activities.		
Transfers in	\$ (178,374)	
Transfers out	<u>178,374</u>	
		-
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Principal repayment of bond	\$ 320,000	
Amortization of bond premium	<u>30,032</u>	
		350,032
Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.		
Decrease in accrued interest expense	\$ 11,831	
Increase in compensated absences payable	(16,633)	
Change in other postemployment benefits	(37,402)	
Change in net pension liability and deferred outflows and inflows of resources related to pensions	<u>(399,422)</u>	
		<u>(441,626)</u>
Change in net position of governmental activities (Exhibit B)		<u><u>\$ (288,180)</u></u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT D-1
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES				
School district assessment	\$ 8,612,541	\$ 8,612,541	\$ 8,612,541	\$ -
Other local	71,946	71,946	84,917	12,971
State	2,829,758	2,829,758	2,829,284	(474)
Federal	80,000	80,000	109,443	29,443
Total revenues	<u>11,594,245</u>	<u>11,594,245</u>	<u>11,636,185</u>	<u>41,940</u>
EXPENDITURES				
Current:				
Instruction	6,355,150	6,357,494	6,188,803	168,691
Support services:				
Student	1,304,888	1,296,735	1,380,778	(84,043)
Instructional staff	210,742	208,980	189,012	19,968
General administration	10,437	10,222	11,924	(1,702)
Executive administration	456,320	457,958	441,933	16,025
School administration	746,001	742,934	746,841	(3,907)
Business	305,225	304,928	307,412	(2,484)
Operation and maintenance of plant	927,290	930,987	895,518	35,469
Student transportation	477,389	469,786	463,047	6,739
Other	258,007	271,425	183,701	87,724
Debt service:				
Principal	320,000	320,000	320,000	-
Interest	393,790	393,790	390,490	3,300
Facilities acquisition and construction	-	-	102,762	(102,762)
Total expenditures	<u>11,765,239</u>	<u>11,765,239</u>	<u>11,622,221</u>	<u>143,018</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(170,994)</u>	<u>(170,994)</u>	<u>13,964</u>	<u>184,958</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	266,871	266,871
Transfers out	-	-	(24,411)	(24,411)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>242,460</u>	<u>242,460</u>
Net change in fund balance	<u>\$ (170,994)</u>	<u>\$ (170,994)</u>	<u>256,424</u>	<u>\$ 427,418</u>
Unassigned fund balance, beginning			<u>177,268</u>	
Unassigned fund balance, ending			<u>\$ 433,692</u>	

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT D-2
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
Food Service Fund
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts			Variance
	Original	Final	Actual	Positive (Negative)
REVENUES				
Local:				
Sales - Lunch	\$ 94,250	\$ 94,250	\$ 95,774	\$ 1,524
Sales- Breakfast	11,861	11,861	9,580	(2,281)
Sales - Other	25,110	25,110	3,933	(21,177)
State:				
Lunch reimbursement	2,985	2,985	2,480	(505)
Breakfast reimbursement	535	535	419	(116)
Federal:				
Lunch reimbursement	62,859	62,859	60,599	(2,260)
Breakfast reimbursement	21,750	21,750	18,945	(2,805)
Milk reimbursement	250	250	700	450
USDA commodities	-	-	13,763	13,763
Total revenues	<u>219,600</u>	<u>219,600</u>	<u>206,193</u>	<u>(13,407)</u>
EXPENDITURES				
Current:				
Noninstructional services	<u>219,600</u>	<u>219,600</u>	<u>220,458</u>	<u>(858)</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>-</u>	<u>(14,265)</u>	<u>(12,549)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>-</u>	<u>-</u>	<u>14,265</u>	<u>14,265</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ 14,265</u>
Fund balance, beginning			578	
Fund balance, ending			<u>\$ 578</u>	

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT E
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Fiduciary Funds
Statement of Net Position
June 30, 2017

	<u>Agency</u>
ASSETS	
Cash and cash equivalents	<u>\$ 57,583</u>
LIABILITIES	
Due to student groups	<u>\$ 57,583</u>

The notes to the basic financial statements are an integral part of this statement.

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

**AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

	<u>NOTE</u>
Summary of Significant Accounting Policies	1
Reporting Entity	1-A
Government-wide and Fund Financial Statements	1-B
Measurement Focus, Basis of Accounting, and Financial Statement Presentation.....	1-C
Cash and Cash Equivalents.....	1-D
Receivables.....	1-E
Inventory.....	1-F
Prepaid Items	1-G
Capital Assets	1-H
Interfund Activities.....	1-I
Accounts Payable	1-J
Deferred Outflows/Inflows of Resources	1-K
Long-term Obligations.....	1-L
Compensated Absences	1-M
Defined Benefit Pension Plan	1-N
Net Position/Fund Balances.....	1-O
Use of Estimates	1-P
Stewardship, Compliance, and Accountability	2
Budgetary Information.....	2-A
Budgetary Reconciliation to GAAP Basis	2-B

DETAILED NOTES ON ALL FUNDS

Cash and Cash Equivalents	3
Receivables	4
Capital Assets.....	5
Interfund Balances and Transfers	6
Deferred Outflows/Inflows of Resources	7
Long-term Liabilities	8
Defined Benefit Pension Plan	9
Other Postemployment Benefits (OPEB)	10
Encumbrances	11
Governmental Activities Net Position.....	12
Governmental Fund Balances	13
Risk Management.....	14
Contingent Liabilities.....	15
Subsequent Events.....	16

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Wilton-Lyndeborough Cooperative School District, in Wilton New Hampshire (the School District), have been prepared in conformity with accounting principles generally accepted in the United States of America for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and other authoritative sources.

In 2017 the School District implemented GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, which establishes the order of priority of pronouncements and other sources of accounting and financial reporting guidance that a government should apply.

1-A Reporting Entity

The Wilton-Lyndeborough Cooperative School District is a municipal corporation governed by an elected 9-member School Board. In evaluating how to define the School District for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth by the GASB. The School District has no component units to include in its reporting entity.

The following is a summary of the more significant accounting policies:

1-B Government-wide and Fund Financial Statements

Government-wide Financial Statements - The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the primary government. Generally, the effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported through assessments and intergovernmental revenues.

The *Statement of Net Position* presents the financial position of the School District at year-end. This statement includes all of the School District's non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position.

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Assessments and other items not meeting the definition of program revenues are reported instead as general revenues. Resources that are dedicated internally are reported as general revenue rather than program revenue.

Fund Financial Statements - Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

In the governmental fund financial statements, expenditures are reported by character: current, debt service or facilities acquisition and construction. Current expenditures are subclassified by function and are for items such as salaries, grants, supplies, and services. Debt service includes both interest and principal outlays related to bonds. Capital outlay includes expenditures for equipment, real property, or infrastructure.

Other Financing Sources (Uses) – These additions to and reductions from resources in governmental fund financial statements normally result from transfers from/to other funds. Transfers are reported when incurred as “transfers in” by the receiving fund and as “transfers out” by the disbursing fund.

1-C Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement Focus and Basis of Accounting - The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements, except for agency funds which do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

**AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

Governmental fund financial statements are reported using the *current financial resources* measurement focus and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of reimbursement based grants, which use a period of one year. District assessments, intergovernmental revenue, and other local sources associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Financial Statement Presentation - A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to report financial position and the results of operations, to demonstrate legal compliance, and to aid financial management by segregating transactions related to certain government functions or activities.

The School District reports the following major governmental funds:

General Fund – is the School District’s primary operating fund. The general fund accounts for all financial resources except those required to be accounted for in another fund. The primary revenue sources include district assessments, state and federal grants, and other local sources. The primary expenditures are for instruction, support services and debt service. Under GASB Statement No. 54 guidance the expendable trust funds are consolidated in the general fund.

Food Service Fund – accounts for the operation of the School District’s food service program.

Fiduciary Fund Financial Statements – Fiduciary fund financial statements include a Statement of Net Position. These funds account for resources held by the School District for the benefit of other parties, and include the agency funds. Fiduciary funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting.

Nonmajor Funds – The School District also reports two nonmajor governmental funds. All the governmental funds not meeting the criteria established for major funds are presented in the other governmental column of the fund financial statements.

1-D Cash and Cash Equivalents

The School District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Deposits with financial institutions consist primarily of demand deposits. A cash pool is maintained that is available for use by all funds. Each fund’s portion of this pool is reflected on the combined financial statements under the caption “cash and cash equivalents.”

New Hampshire statutes require that the School District treasurer have custody of all money belonging to the School District and pay out the same only upon orders of the School Board. The treasurer shall deposit all such monies in participation units in the public deposit investment pool established pursuant to NH RSA 383:22 or in solvent banks in the state. Funds may be deposited in banks outside the state if such banks pledge and deliver to a third party custodial bank or the Federal Reserve Bank, collateral security for such deposits, United States government or government agency obligations or obligations of the State of New Hampshire in value at least equal to the amount of the deposit in each case.

1-E Receivables

Receivables in the government-wide and governmental fund financial statements represent amounts due to the School District at June 30, recorded as revenue, which will be collected in the future and consist primarily of accounts and intergovernmental receivables.

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2017

1-F Inventory

The inventories of the School District are valued at cost (first-in, first-out), which approximates market. The inventories of the School District's food service fund consist of materials and supplies held for subsequent use. The cost of these inventories is expended when consumed rather than when purchased.

1-G Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and governmental fund financial statements and expensed as the items are used.

1-H Capital Assets

Capital assets are defined by the School District as assets with an initial individual cost of \$10,000 or more and an estimated life in excess of five years. Capital assets include property, plant, and equipment, infrastructure assets (e.g. roads, sidewalks, drainage, and similar items) and are reported in governmental activities.

The accounting and reporting treatment applied to capital assets associated with a fund are determined by the fund's measurement focus. General capital assets are assets of the School District as a whole. When purchased, such assets are recorded as expenditures in a governmental fund and capitalized as assets in the governmental activities column of the government-wide Statement of Net Position. When cost of general capital assets cannot be determined from available records, estimated historical cost is used.

Additions, improvements, and other capital outlay that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend lives are not capitalized.

In the government-wide financial statements, the cost of property sold or retired, together with the related accumulated depreciation, is removed and any resulting gain or loss is included in income.

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and building improvements	20-30
Machinery and equipment	10

1-I Interfund Activities

Interfund activities are reported as follows:

Interfund Receivables and Payables – Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e. the current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Interfund receivables and payables between funds are eliminated in the Statement of Net Position.

Interfund Transfers – Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making the transfers and other financing sources in the funds receiving the transfers. In the government-wide financial statements, all interfund transfers between individual governmental funds have been eliminated.

1-J Accounts Payable

Accounts payable represent the gross amount of expenditures or expenses incurred as a result of normal operations, but for which no actual payment has yet been issued to vendors/providers as of June 30, 2017.

1-K Deferred Outflows/Inflows of Resources

Deferred outflows of resources, a separate financial statement element, represents a consumption of net position or fund balance that applies to a future period(s) and thus will not be recognized as an outflow of resources (expenses) until then.

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2017

Deferred inflows of resources, a separate financial statement element, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

1-L Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Bond premiums are deferred and amortized over the life of the bond using the straight-line method. Bonds payable are reported net of the applicable bond premium.

1-M Compensated Absences

The School District's policy allows certain employees to earn varying amounts of vacation and sick pay based on the employee's length of employment. Upon retirement or termination of employment, employees are paid in full for any accrued leave earned as set forth by personnel policy.

An expense and a liability for vacation, sick pay, and salary-related payments are accrued as the leave is earned in the government-wide financial statements. The compensated absences liability is liquidated using funds to which the liability accrued as the accumulated leave is used.

1-N Defined Benefit Pension Plan

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* requires participating employers to recognize their proportionate share of collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense, and schedules have been prepared to provide employers with their calculated proportionate share of these amounts. The collective amounts have been allocated based on employer contributions during the respective fiscal years. Contributions from employers are recognized when legally due, based on statutory requirements.

The schedules are prepared by New Hampshire Retirement System, and are audited by the plan's independent auditors.

1-O Net Position/Fund Balances

Government-wide statements – Equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – This classification includes the School District's capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position – This classification includes assets that have third-party (statutory, bond covenant, or granting agency) limitation on their use. The School District typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project.

Unrestricted Net Position – This classification typically includes unrestricted liquid assets.

Fund Balance Classifications – GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, provides more clearly defined fund balance categories to make sure the nature and extend of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form; or (b) are legally or contractually required to be maintained intact.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the legislative body (School District Meeting). These amounts cannot be used for any other purpose unless the legislative body removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AS OF AND FOR THE FISCAL YEAR ENDED

JUNE 30, 2017

Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the School Board or through the Board delegating this responsibility to the Superintendent or Business Administrator through the budgetary process.

Unassigned – This classification is the portion of fund balance that has not been restricted, committed, or assigned for a specific purpose.

When multiple net position/fund balance classifications are available for use, it is the government’s policy to utilize the most restricted balances first, then the next most restricted balance as needed. When components of unrestricted fund balance are used, committed fund balance is depleted first followed by assigned fund balance. Unassigned fund balance is applied last.

1-P Use of Estimates

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the period reported. These estimates include assessing the collectability of accounts receivable, and the useful lives of capital assets, among others. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

2-A Budgetary Information

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements which govern the School District’s operations. At its annual meeting, the School District adopts a budget for the current year for the general and food service funds, as well as the nonmajor grants fund. Except as reconciled below, the budget was adopted on a basis consistent with United States generally accepted accounting principles.

Management may transfer appropriations between operating categories as deemed necessary, but expenditures may not legally exceed budgeted appropriations in total. All annual appropriations lapse at year-end unless encumbered.

Encumbrance accounting, under which purchase orders, contracts, and continuing appropriations (certain projects and specific items not fully expended at year-end) are recognized, is employed in the governmental funds. Encumbrances are not the equivalent of expenditures, and are therefore, reported as part of the assigned fund balance at year-end, and are carried forward to supplement appropriations of the subsequent year.

State statutes require balanced budgets, but provide for the use of beginning unassigned fund balance to achieve that end. In the fiscal year 2017, \$170,994 of the beginning general fund unassigned fund balance was applied for this purpose.

2-B Budgetary Reconciliation to GAAP Basis

The School District employs certain accounting principles for budgetary reporting purposes that differ from a GAAP basis. The Statement of Revenues, Expenditures, and Changes in Fund Balance – Budgetary Basis, presents the actual results to provide a comparison with the budget. The major difference between the budgetary basis and GAAP basis is as follows:

Encumbrances outstanding at year-end do not represent GAAP expenditures or liabilities, but represent budgetary accounting controls. Governmental fund budgets are maintained on the modified accrual basis of accounting except that budgetary basis expenditures include purchase orders and commitments (encumbrances) for goods or services not received at year-end. Encumbrances are recorded to reserve a portion of fund balance in the governmental fund types for commitments for which no liability exists.

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AS OF AND FOR THE FISCAL YEAR ENDED

JUNE 30, 2017

The following reconciles the general fund budgetary basis to the GAAP basis:

Revenues and other financing sources:	
Per Exhibit D-1 (budgetary basis)	\$ 11,903,056
Adjustments:	
Basis difference:	
GASB Statement No. 54:	
Interest earnings related to the blended expendable trust funds	2,533
To remove transfer to the general fund from the expendable trust fund	(102,762)
Per Exhibit C-3 (GAAP Basis)	<u>\$ 11,802,827</u>
Expenditures and other financing uses:	
Per Exhibit D-1 (budgetary basis)	\$ 11,646,632
Adjustments:	
Basis difference:	
Encumbrances, beginning	191,717
Encumbrances, ending	(182,889)
GASB Statement No. 54:	
To remove transfer from the general fund to the expendable trust fund	(10,146)
Per Exhibit C-3 (GAAP basis)	<u>\$ 11,645,314</u>

DETAILED NOTES ON ALL FUNDS

NOTE 3 – CASH AND CASH EQUIVALENTS

The School District's deposits are entirely covered by federal depository insurance (FDIC) or by collateral held by the School District's agent in the School District's name. The FDIC currently insures the first \$250,000 of the School District's deposits at each financial institution, per case custodian. Deposit balances over \$250,000 are insured by collateral. As of year-end, the carrying amount of the School District's deposits was \$777,230 with petty cash totaling \$164 for a total cash balance of \$777,394 while the bank balances at June 30, 2017 totaled \$1,069,605.

Cash and cash equivalents reconciliation:

Cash per Statement of Net Position (Exhibit A)	\$ 719,811
Cash per Statement of Net Position - Fiduciary Funds (Exhibit E)	57,583
Total cash and cash equivalents	<u>\$ 777,394</u>

NOTE 4 – RECEIVABLES

Receivables at June 30, 2017, consisted of accounts and intergovernmental amounts arising from grants, school lunch program, restricted grants, and funds held in custody of the Town of Wilton Trustee of Trust Funds. Receivables are recorded on the School District's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectability.

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2017

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 consisted of the following:

	Balance, beginning	Additions	Retirements	Balance, ending
At cost:				
Not being depreciated:				
Land	\$ 1,004,900	\$ -	\$ -	\$ 1,004,900
Construction in progress	8,037,809	51,382	(8,089,191)	-
Total capital assets not being depreciated	9,042,709	51,382	(8,089,191)	1,004,900
Being depreciated:				
Buildings and building improvements	6,710,349	8,089,191	-	14,799,540
Equipment and vehicles	41,834	-	-	41,834
Total capital assets being depreciated	6,752,183	8,089,191	-	14,841,374
Total capital assets	15,794,892	8,140,573	(8,089,191)	15,846,274
Less accumulated depreciation:				
Buildings and building improvements	(4,975,926)	(139,955)	-	(5,115,881)
Equipment and vehicles	(9,193)	(4,083)	-	(13,276)
Total accumulated depreciation	(4,985,119)	(144,038)	-	(5,129,157)
Net book value, capital assets being depreciated	1,767,064	7,945,153	-	9,712,217
Net book value, all capital assets	\$ 10,809,773	\$ 7,996,535	\$ (8,089,191)	\$ 10,717,117

Depreciation expense of \$144,038 charged to the instruction function of the School District based on the usage of the related assets.

NOTE 6 – INTERFUND BALANCES AND TRANSFERS

Interfund receivable and payable balances consisting of overdrafts in pooled cash and budgetary transfers at June 30, 2017 are as follows:

Receivable Fund	Payable Fund	Amount
General	Food Service	\$ 33,527
	Nonmajor	21,021
		<u>\$ 54,548</u>

Interfund transfers during the year ended June 30, 2017 are as follows:

	Transfers In:		
	General Fund	Food Service Fund	Total
Transfers out:			
General fund	\$ -	\$ 14,265	\$ 14,265
Nonmajor fund	164,109	-	164,109
Total	<u>\$ 164,109</u>	<u>\$ 14,265</u>	<u>\$ 178,374</u>

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; and (2) use unrestricted revenue collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AS OF AND FOR THE FISCAL YEAR ENDED

JUNE 30, 2017

NOTE 7 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred outflows of resources of \$2,537,501 in the governmental activities of June 30, 2017 consists of amounts related to pensions, see Note 9 for further information on deferred amounts related to pensions.

Deferred inflows of resources reported in the governmental funds are as follows:

	<u>Exhibit A</u>	<u>Exhibit C-1</u>
Federal grant revenue collected in advance of eligible expenditures being made	\$ 1,179	\$ 1,179
Amounts related to pensions (see Note 9)	426,401	-
Total deferred inflows of resources	<u>\$ 427,580</u>	<u>\$ 1,179</u>

NOTE 8 – LONG-TERM LIABILITIES

Changes in the School District's long-term liabilities consisted of the following for the year ended June 30, 2017:

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2017</u>	<u>Due Within One Year</u>
Bonds payable:					
General obligation bonds	\$ 8,920,000	\$ -	\$ (320,000)	\$ 8,600,000	\$ 600,000
Premium	570,602	-	(30,032)	540,570	30,032
Total bonds payable	9,490,602	-	(350,032)	9,140,570	630,032
Compensated absences	136,173	16,633	-	152,806	-
Other postemployment benefits	161,163	37,402	-	198,565	-
Net pension liability	6,789,230	1,997,657	-	8,786,887	-
Total long-term liabilities	<u>\$ 16,577,168</u>	<u>\$ 2,051,692</u>	<u>\$ (350,032)</u>	<u>\$ 18,278,828</u>	<u>\$ 630,032</u>

Long-term bonds are comprised of the following:

	<u>Original Amount</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Outstanding at June 30, 2017</u>
General obligation bonds payable:					
Middle/High school renovation	\$ 6,476,755	1999	2020	4.5-5.25%	\$ 960,000
Florence Rideout Elementary renovation	\$ 7,640,000	2014	2035	3.40%	7,640,000
					<u>\$ 8,600,000</u>

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2017, including interest payments, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 600,000	\$ 366,550	\$ 966,550
2019	615,000	335,088	950,088
2020	630,000	302,860	932,860
2021	325,000	278,268	603,268
2022	340,000	261,310	601,310
2023-2027	1,985,000	1,035,788	3,020,788
2028-2032	2,405,000	602,803	3,007,803
2033-2035	1,700,000	106,395	1,806,395
Totals	<u>\$ 8,600,000</u>	<u>\$ 3,289,062</u>	<u>\$ 11,889,062</u>

The bond premium will be amortized using the straight-line method over the life of the bond.

All debt is general obligation debt of the School District, which is backed by its full faith and credit, and will be repaid from general governmental revenues.

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AS OF AND FOR THE FISCAL YEAR ENDED

JUNE 30, 2017

NOTE 9 – DEFINED BENEFIT PENSION PLAN

Plan Description: The New Hampshire Retirement System (NHRS or the System) is a public employee retirement system that administers one cost-sharing multiple-employer defined benefit pension plan (Pension Plan), a component unit of the State of New Hampshire, as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25*. The Pension Plan was established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The Pension Plan is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers with in the State are eligible and required to participate in the Pension Plan. The System issues a publicly available financial report that may be obtained by writing the New Hampshire Retirement System, 54 Regional Drive, Concord, NH 03301.

Benefits Provided: The Pension Plan is divided into two membership groups. State and local employees and teachers belong to Group I. Police and firefighters belong to Group II. All assets are held in a single trust and available to pay retirement benefits to all members.

Group I members at age 60 or 65 (for members who commence service after July 1, 2011) qualify for a normal service retirement allowance based on years of creditable service and average final salary for the highest of either three or five years, depending on when their service commenced. The yearly pension amount is 1/60 or 1.667% of average final compensation (AFC) multiplied by years of creditable service. At age 65, the yearly pension amount is recalculated at 1/66 or 1.515% of AFC multiplied by years of creditable service.

Group II members who are age 60, or members who are at least age 45 with at least 20 years of creditable service, can receive a retirement allowance at a rate of 2.5% of AFC for each year of creditable service, not to exceed 40 years. Members commencing service on or after July 1, 2011 or members who have nonvested status as of January 1, 2012 can receive a retirement allowance at age 52.5 with 25 years of service or age 60. The benefit shall be equal to 2% of AFC times creditable service up to 42.5 years. However, a member who commenced service on or after July 1, 2011 shall not receive a retirement allowance until attaining the age of 52.5, but may receive a reduced allowance after age 50 if the member has at least 25 years of creditable service where the allowance shall be reduced, for each month by which the member attains 52.5 years of age by $\frac{1}{4}$ of 1% or age 60.

Members of both groups may qualify for vested deferred allowances, disability allowances and death benefit allowances, subject to meeting various eligibility requirements. Benefits are based on AFC or earnable compensation and/or service.

Contributions: The System is financed by contributions from both the employees and the School District. Member contribution rates are established and may be amended by the State legislature while employer contribution rates are set by the System trustees based on an actuarial valuation. All employees are required to contribute 7% of earnable compensation. For fiscal year 2017, the School District contributed 15.67% for teachers and 11.17% for other employees. The contribution requirements for the fiscal years 2015, 2016, and 2017 were \$659,768, \$699,539, and \$709,475, respectively, which were paid in full in each year.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, the School District reported a liability of \$8,786,887 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, 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 towns and school districts, actuarially determined. At June 30, 2016, the School District's proportion was 0.16524172% which was a decrease of 0.00613738% from its proportion measured as of June 30, 2015.

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

**AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

For the year ended June 30, 2017, the School District recognized pension expense of \$995,906. At June 30, 2017, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion	\$ 285,480	\$ 315,444
Net difference between projected and actual investment earnings on pension plan investments	549,753	-
Changes in assumptions	1,081,386	-
Differences between expected and actual experience	24,419	110,957
Contributions subsequent to the measurement date	596,463	-
Total	<u>\$ 2,537,501</u>	<u>\$ 426,401</u>

The \$596,463 reported as deferred outflows of resources related to pensions results from the 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	
2017	\$ 329,796
2018	329,796
2019	485,236
2020	353,224
2021	16,585
Totals	<u>\$ 1,514,637</u>

Actuarial Assumptions: The collective total pension liability was determined by a roll forward of the actuarial valuation as of June 30, 2015, using the following actuarial assumptions which, accordingly apply to 2016 measurements:

Inflation:	2.5%
Salary increases:	5.6% average, including inflation
Investment rate of return:	7.25% net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 employee generational mortality tables for males and females, adjusted for mortality improvements using Scale MP-2015, based on last experience study.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2010 – June 30, 2015.

Long-term Rates of Return: The long-term expected rate of return on pension plan investment was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return net of investment expenses by the target asset allocation percentage and by adding expected inflation.

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2017

Following is a table presenting target allocations and long-term rates of return for 2016:

Asset Class	Target Allocation	Weighted average long-term expected real rate of return
		2016
Large Cap Equities	22.50%	4.25%
Small/Mid Cap Equities	7.50%	4.50%
Total domestic equities	30.00%	
Int'l Equities (unhedged)	13.00%	4.75%
Emerging Int'l Equities	7.00%	6.25%
Total international equity	20.00%	
Core Bonds	5.00%	0.64%
Short Duration	2.00%	(0.25%)
Global Multi-Sector Fixed Income	11.00%	1.71%
Absolute Return Fixed Income	7.00%	1.08%
Total fixed income	25.00%	
Private equity	5.00%	6.25%
Private debt	5.00%	4.75%
Opportunistic	5.00%	3.68%
Total alternative investments	15.00%	
Real estate	10.00%	3.25%
Total	100.00%	

Discount Rate: The discount rate used to measure the collective total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the Pension Plan's actuarial funding policy as required by RSA 100-A:16. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on Pension Plan investment was applied to all periods of projected benefit payments to determine the collective total pension liability.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following table presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.25% 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 (6.25%) or 1-percentage point higher (8.25%) than the current rate:

Actuarial Valuation Date	1% Decrease 6.25%	Current Single Rate Assumption 7.25%	1% Increase 8.25%
June 30, 2016	\$ 11,290,550	\$ 8,786,887	\$ 6,710,494

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit Pension Plan financial report.

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AS OF AND FOR THE FISCAL YEAR ENDED

JUNE 30, 2017

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description and Annual OPEB Cost - The School District provides postemployment benefit options for health care to eligible retirees, terminated employees, and their dependents in accordance with the provision of various employment contracts. The benefit levels, employee contributions, and employer contributions are governed by the School District's contractual agreements.

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, requires that the long-term cost of retirement health care and obligations for other postemployment benefits (OPEB) be determined on an actuarial basis and reported similar to pension plans. GASB Statement No. 45 does not mandate the pre-funding of postemployment benefit liabilities. However, any pre-funding of these benefits will help minimize or eliminate the postemployment benefit obligation that will be required to be reported on the financial statements.

The School District has only partially funded (on a pay-as-you-go basis) the annual required contribution (ARC), an actuarially determined rate in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table presents the OPEB cost for the year, the amount contributed and changes in the OPEB plan for fiscal year 2017:

Annual required contribution/OPEB cost	\$ 76,227
Interest on net OPEB obligation	6,447
Adjustment to annual required contribution	(9,139)
Annual OPEB cost (expense)	<u>73,535</u>
Contributions made	<u>(36,133)</u>
Increase in net OPEB obligation	37,402
Net OPEB obligation - beginning of year	<u>161,163</u>
Net OPEB obligation - end of year	<u>\$ 198,565</u>

The School District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2017 and the four preceding years were as follows:

Fiscal Year Ended	Annual OPEB Contribution Cost	Expected Contributions (pay-as-you-go)	Percentage Contributed	Net OPEB Obligation
June 30, 2017	\$ 76,227	\$ 36,133	47.40%	\$ 198,565
June 30, 2016	\$ 180,793	\$ 154,582	85.50%	\$ 161,163
June 30, 2015	\$ 200,340	\$ 181,378	90.54%	\$ 136,443
June 30, 2014	\$ 199,408	\$ 153,034	76.70%	\$ 119,008
June 30, 2013	\$ 196,219	\$ 123,584	63.00%	\$ 72,635

As of July 1, 2016, the date of the most recent actuarial valuation, the actuarial accrued liability (AAL) for benefits was \$662,642, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$662,642. The covered payroll (annual payroll of active employees covered by the plan) was \$938,364 during fiscal year 2017, and the ratio of the UAAL to the covered payroll was 70.62%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress for Other Postemployment Benefits Plan, presented as required supplementary information following the notes to the financial statements, is designed to present multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AS OF AND FOR THE FISCAL YEAR ENDED

JUNE 30, 2017

does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2016 actuarial valuation, the actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return per annum. The projected annual healthcare cost trend is 9% initially, reduced by decrements to an ultimate rate of 5.0% for years 2018 and later. The UAAL is being amortized as a level dollar amount over an open basis. The remaining amortization period at June 30, 2017 was 30 years.

NOTE 11– ENCUMBRANCES

Encumbrances outstanding at June 30, 2017 are as follows:

Current:	
Instruction:	
Regular programs	\$ 5,301
Special programs	6,215
Vocational programs	1,494
Other	4,585
Total instruction	<u>17,595</u>
Support services:	
Student	3,349
Instructional staff	1,814
Executive administration	920
School administration	6,056
Business	91
Operation and maintenance of plant	47,885
Student transportation	2,417
Total support services	<u>62,532</u>
Facilities acquisition and construction	<u>102,762</u>
Total encumbrances	<u>\$ 182,889</u>

NOTE 12 – GOVERNMENTAL ACTIVITIES NET POSITION

Governmental activities net position reported on the government-wide Statement of Net Position at June 30, 2017 include the following:

Net investment in capital assets:	
Net book value of all capital assets	\$ 10,717,117
Less:	
General obligation bonds payable	(8,600,000)
Unamortized bond premiums	(540,570)
Total net investment in capital assets	<u>1,377,982</u>
Restricted for:	
General fund prepaid items	15,066
Food service	578
Total restricted fund	<u>15,644</u>
Unrestricted	<u>(5,982,143)</u>
Total net position	<u>\$ (4,588,517)</u>

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2017

NOTE 13 – GOVERNMENTAL FUND BALANCES

Governmental fund balances at June 30, 2017 consist of the following:

	General Fund	Food Service Fund	Total Governmental Funds
Nonspendable:			
Prepaid items	\$ 15,066	\$ -	\$ 15,066
Inventory	-	10,295	10,295
Total nonspendable fund balance	<u>15,066</u>	<u>10,295</u>	<u>25,361</u>
Committed:			
Expendable trust	<u>388,219</u>	-	<u>388,219</u>
Assigned:			
Encumbrances	<u>182,889</u>	-	<u>182,889</u>
Unassigned	<u>418,626</u>	<u>(9,717)</u>	<u>408,909</u>
Total governmental fund balances	<u><u>\$ 1,004,800</u></u>	<u><u>\$ 578</u></u>	<u><u>\$ 1,005,378</u></u>

NOTE 14 – RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. During fiscal year 2017, the School District was a member of the New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation and Property/Liability Programs. This entity is considered a public entity risk pool, currently operating as common risk management and insurance program for member School Districts and cities.

The New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation and Property/Liability Programs are pooled risk management programs under RSAs 5-B and 281-A. Coverage was provided from July 1 to June 30, 2017 by Primex³, which retained \$1,000,000 of each workers' compensation loss, \$500,000 of each liability loss, and \$200,000 of each property loss. The Board has decided to self-insure the aggregate exposure and has allocated funds based on actuarial analysis for that purpose. The estimated net contribution from the School District billed and paid for the year ended June 30, 2017 was \$25,694 for workers' compensation and \$34,142 for property/liability. The workers' compensation section of the self-insurance membership agreement permits Primex³ to make additional assessments to members should there be a deficiency in contributions for any member year, not to exceed the member's annual contribution. GASB Statement No. 10 requires members of a pool with a sharing risk to disclose if such an assessment is probable, and a reasonable estimate of the amount, if any. At this time, Primex³ foresees no likelihood of any additional assessment for this or any prior year.

NOTE 15 – CONTINGENT LIABILITIES

The School District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement from the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the School District believes such disallowances, if any, will be immaterial.

NOTE 16 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date, but before the financial statements are issued. Recognized subsequent events are events or transactions that provided additional evidence about conditions that existed at the balance sheet date, including the estimates inherent in the process of preparing the financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the balance sheet date, but arose after the date. Management has evaluated subsequent events through January 17, 2018, the date the June 30, 2017 financial statements were available to be issued, and no events occurred that require recognition or disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT F
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Schedule of Funding Progress for Other Postemployment Benefit Plan
For the Fiscal Year Ended June 30, 2017

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b-a]/c)
July 1, 2016	\$ -	\$ 662,642	\$ 662,642	0.00%	\$ 938,364	70.62%
July 1, 2015	\$ -	\$ 2,055,278	\$ 2,055,278	0.00%	\$ 4,956,772	41.46%
July 1, 2012	\$ -	\$ 1,641,872	\$ 1,641,872	0.00%	\$ 5,178,090	37.71%

The notes to the required supplementary information is an integral part of this schedule.

EXHIBIT G
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Schedule of the School District's Proportionate Share of Net Pension Liability
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended June 30, 2017

<u>Fiscal Year End</u>	<u>Valuation Date</u>	<u>District's Proportion of Net Pension Liability</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Covered Payroll</u>	<u>District Proportionate Share of Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
June 30, 2017	July 1, 2016	0.16524172%	\$ 8,786,887	\$ 4,892,173	179.61%	58.30%
June 30, 2016	July 1, 2015	0.17137910%	\$ 6,789,230	\$ 4,844,446	140.14%	65.47%
June 30, 2015	July 1, 2014	0.17553504%	\$ 6,588,858	\$ 4,907,574	134.26%	59.81%
June 30, 2014	July 1, 2013	0.16127031%	\$ 6,940,727	\$ 4,490,767	154.56%	66.32%

The notes to the required supplementary information is an integral part of this schedule.

EXHIBIT H
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Schedule of School District Contributions
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended June 30, 2017

Fiscal Year End	Valuation Date	Contractually Required Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Pay roll	Contributions as a Percentage of Covered Pay roll
June 30, 2017	July 1, 2016	\$ 591,696	\$ 591,696	\$ -	\$4,892,173	12.09%
June 30, 2016	July 1, 2015	\$ 574,957	\$ 574,957	\$ -	\$4,844,446	11.87%
June 30, 2015	July 1, 2014	\$ 569,476	\$ 569,476	\$ -	\$4,907,574	11.60%
June 30, 2014	July 1, 2013	\$ 401,004	\$ 401,004	\$ -	\$4,490,767	8.93%

The notes to the required supplementary information is an integral part of this schedule.

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED
JUNE 30, 2017

Schedule of Funding Progress for Other Postemployment Benefits (OPEB)

As required by GASB Statement No. 45, as amended in December 2009 by GASB Statement No. 57, Exhibit F represents the actuarial determined costs associated with the School District's other postemployment benefits at June 30, 2017, and the two preceding years.

Schedule of the School District's Proportionate Share of Net Pension Liability & Schedule of School District Contributions

As required by GASB Statement No. 68, and as amended by GASB Statement No. 71, Exhibits G and H represent the actuarial determined costs associated with the School District's pension plan at June 30, 2017, and the preceding years.

Methods and Assumptions Used to Determine Contribution Rates for Fiscal Year 2016:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage-of-Payroll, Closed
Remaining Amortization Period	23 years beginning July 1, 2016 (30 years beginning July 1, 2009)
Asset Valuation Method	5-year smooth market for funding purposes
Price Inflation	2.5% per year
Wage Inflation	3.25% per year
Salary Increases	5.6% Average, including inflation
Municipal Bond Rate	2.85% per year
Investment Rate of Return	7.25% per year
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2015.
Mortality	RP-2014 Employee generational mortality table for males and females, adjusted for mortality improvements using Scale MP -2015, based in the last experience study.

Other Information:

Notes	Contribution rates for Fiscal Year 2016 were determined based on the benefit changes adopted under House Bill No. 2 as amended by 011-2513-CofC.
-------	--------------------------------------------------------------------------------------------------------------------------------------------------

COMBINING AND INDIVIDUAL FUND SCHEDULES

SCHEDULE 1
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Major General Fund
Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2017

	Estimated	Actual	Variance Positive (Negative)
School district assessment:			
Current appropriation	\$ 8,612,541	\$ 8,612,541	\$ -
Other local sources:			
Tuition	45,300	51,120	5,820
Investment earnings	5,000	-	(5,000)
Rentals	200	3,740	3,540
Miscellaneous	21,446	30,057	8,611
Total from other local sources	71,946	84,917	12,971
State sources:			
Adequacy aid (grant)	1,337,372	1,337,372	-
Adequacy aid (tax)	1,202,139	1,202,139	-
School building aid	128,000	128,000	-
Catastrophic aid	159,247	157,378	(1,869)
Vocational aid	3,000	3,077	77
Other state aid	-	1,318	1,318
Total from state sources	2,829,758	2,829,284	(474)
Federal sources:			
Medicaid	80,000	109,443	29,443
Other financing sources:			
Transfers in	-	266,871	266,871
Total revenues and other financing sources	11,594,245	\$ 11,903,056	\$ 308,811
Use of fund balance to reduce school district assessment	170,994		
Total revenues, other financing sources, and use of fund balance	\$ 11,765,239		

SCHEDULE 2
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Major General Fund
Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2017

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
Instruction:					
Regular programs	\$ 2,756	\$ 4,564,278	\$ 4,458,698	\$ 5,301	\$ 103,035
Special programs	-	1,568,854	1,548,342	6,215	14,297
Vocational programs	9,142	28,400	14,275	1,494	21,773
Other	-	195,962	161,791	4,585	29,586
Total instruction	<u>11,898</u>	<u>6,357,494</u>	<u>6,183,106</u>	<u>17,595</u>	<u>\$ 168,691</u>
Support services:					
Student	3,312	1,296,735	1,380,741	3,349	(84,043)
Instructional staff	1,387	208,980	188,585	1,814	19,968
General administration	1,067	10,222	12,991	-	(1,702)
Executive administration	1,442	457,958	442,455	920	16,025
School administration	-	742,934	740,785	6,056	(3,907)
Business	148	304,928	307,469	91	(2,484)
Operation and maintenance of plant	171,226	930,987	1,018,859	47,885	35,469
Student transportation	-	469,786	460,630	2,417	6,739
Other	1,237	271,425	184,938	-	87,724
Total support services	<u>179,819</u>	<u>4,693,955</u>	<u>4,737,453</u>	<u>62,532</u>	<u>73,789</u>
Debt service:					
Principal of long-term debt	-	320,000	320,000	-	-
Interest on long-term debt	-	393,790	390,490	-	3,300
Total debt service	<u>-</u>	<u>713,790</u>	<u>710,490</u>	<u>-</u>	<u>3,300</u>
Facilities acquisition and construction	<u>-</u>	<u>-</u>	<u>-</u>	<u>102,762</u>	<u>(102,762)</u>
Other financing uses:					
Transfers out	<u>-</u>	<u>-</u>	<u>24,411</u>	<u>-</u>	<u>(24,411)</u>
Total appropriations, expenditures, other financing uses, and encumbrances	<u>\$ 191,717</u>	<u>\$ 11,765,239</u>	<u>\$ 11,655,460</u>	<u>\$ 182,889</u>	<u>\$ 118,607</u>

SCHEDULE 3
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Major General Fund
Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2017

Unassigned fund balance, beginning		\$ 177,268
Changes:		
Unassigned fund balance used to reduce school district assessment		(170,994)
2016-2017 Budget summary:		
Revenue surplus (Schedule 1)	\$ 308,811	
Unexpended balance of appropriations (Schedule 2)	<u>118,607</u>	
2016-2017 Budget surplus		<u>427,418</u>
Unassigned fund balance, ending		<u><u>\$ 433,692</u></u>

SCHEDULE 4
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2017

	Special Revenue Fund Grants	Capital Project Fund	Total
ASSETS			
Intergovernmental receivable	\$ 22,200	\$ -	\$ 22,200
LIABILITIES			
Interfund payable	\$ 21,021	\$ -	\$ 21,021
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - grants	1,179	-	1,179
Total liabilities and deferred inflows of resources	\$ 22,200	\$ -	\$ 22,200

SCHEDULE 5
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Nonmajor Governmental Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2017

	Special Revenue Fund Grants	Capital Project Fund	Total
Revenues:			
Local	\$ 2,110	\$ 309	\$ 2,419
Federal	251,784	-	251,784
Total revenues	253,894	309	254,203
Expenditures:			
Current:			
Instruction	113,183	-	113,183
Support services:			
Student	108,998	-	108,998
Instructional staff	31,713	-	31,713
Facilities acquisition and construction	-	97,643	97,643
Total expenditures	253,894	97,643	351,537
Deficiency of revenues under expenditures	-	(97,334)	(97,334)
Other financing uses:			
Transfers out	-	(164,109)	(164,109)
Net change in fund balances	-	(261,443)	(261,443)
Fund balances, beginning	-	261,443	261,443
Fund balances, ending	\$ -	\$ -	\$ -

SCHEDULE 6
WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT
Student Activities Funds
Combining Schedule of Changes in Student Activities Funds
For the Fiscal Year Ended June 30, 2017

	Balance, beginning	Additions	Deductions	Balance, ending
Schools:				
Middle School/High School	\$ 58,228	\$ 75,382	\$ 81,449	\$ 52,161
Lyndeborough Central	347	960	936	371
Florence Rideout	6,677	12,799	14,425	5,051
Totals	<u>\$ 65,252</u>	<u>\$ 89,141</u>	<u>\$ 96,810</u>	<u>\$ 57,583</u>