



SCHOOL BOARD MEETING

BCEMS Library

MISSION STATEMENT

We are committed to providing a challenging educational environment that encourages high performance in a nurturing atmosphere characterized by dignity and respect.

February 13, 2017

5:30 p.m.

REGULAR MEETING

AGENDA

1. **Call to Order; Pledge of Allegiance**
2. **Additions and/or Deletions to Agenda**
3. **Visitors and Communications**
4. **Approval of Minutes**
 - 4.1 **Approval of Minutes – January 9, 2017 Regular Meeting**
 - 4.2 **Approval of Minutes – January 26, 2017 Special Meeting**
5. **New Business**
 - 5.1 **Penguin Plunge Team**
 - 5.2 **Board Member Recognitions**
 - 5.3 **Audit Presentation**
 - 5.4 **Positive Behavior Interventions and Supports Presentation (PBIS)**
 - 5.5 **First Reading Federal Child Nutrition Act Wellness Policy (F28)**
 - 5.6 **First Reading Class Size Policy (G14)**
 - 5.7 **Open Board Positions for March Election**
6. **Old Business**
 - 6.1 **FY '18 Budget & Voting Update**
 - 6.2 **Act 46 Update**
 - 6.3 **Labor Relation Agreements**
 - 6.4 **Second and Final Reading Student Conduct and Discipline Policy (F1)**
 - 6.5 **Second and Final Reading Student Alcohol and Drugs Policy (F7)**
 - 6.6 **Second and Final Reading Firearms Policy (F21)**
 - 6.7 **Second and Final Reading Student Attendance Policy (F25)**
7. **Board Reports**
 - 7.1 **Superintendent**
 - 7.2 **Principals**
 - 7.3 **Committee Reports**
 - 7.4 **Financial**
8. **Round Table/Future Agenda Items**
10. **Executive Session**
 - 10.1 **Superintendent Evaluation**
11. **Adjournment**

Reminders:

Next Barre City School Board Meeting:

Next Spaulding High School Board Meeting:

Next Supervisory Union #61 Board Meeting:

Next Barre Town Elementary School Board Meeting:

March 13, 2017

March 6 (Annual Mtg.)

March 2, 9' 2017

February 16, 2017

February 15, 2017

AGENDA PARKING LOT

Ground Rules for Meetings

Start and end meetings on time.

Members and administration will submit material in advance of meetings.

Members will be prepared for meetings.

Show mutual respect.

Listen to others and don't interrupt. People will speak when recognized. Share time so that all can participate.

We will honor brainstorming without being attached to our own viewpoint.

Be free to speak minds without fear or reprisal.

Attack the problem-no blame game.

Get consensus from board members for individual requests for information.

Make decisions based on clear information.

Identify pending issues and agreements at the end of each meeting.

Keep the best interest of the school and children in mind, while balancing the needs of the taxpayers.

BARRE CITY SCHOOL DISTRICT

REGULAR SCHOOL BOARD MEETING
Barre City Elementary and Middle School –Library
January 9, 2017 - 5:30 p.m.

MINUTES

BOARD MEMBERS PRESENT:

Sonya Spaulding – Chair
Jim Carrien – Vice Chair
Tyler Smith - Clerk
Giuliano Cecchinelli, II
Michael Deering – arrived at 5:40 p.m.
C. Sedillia Jenkins
Andrew McMichael

BOARD MEMBERS ABSENT:

Joe Blakely
Vacant Position

ADMINISTRATORS PRESENT:

John Pandolfo, Superintendent
James Taffel, Principal
Stacy Anderson, Director of Special Services

GUESTS PRESENT:

Video Vision Tech Dave Delcore-Times Argus Lorraine Morris

1. Call to Order: Pledge of Allegiance

The Chair, Mrs. Spaulding, called the Monday, January 9, 2017, Regular meeting to order at 5:33 p.m., which was held at the Barre City Elementary and Middle School Library. The flag salute followed.

2. New Board Member Interview

No candidates were present. No action taken.

3. Additions and/or Deletions to the Agenda

Change to discussion order. Agenda Item 7.1 will be discussed prior to Agenda Item 6.8.

4. Visitors and Communications

None.

5. Approval of Minutes

5.1 Approval of Minutes – December 12, 2016 Regular Meeting

On a motion by Mr. Carrien, seconded by Mr. Smith, the Board unanimously voted to approve the Minutes of the December 12, 2016 Regular Meeting.

6. New Business

6.1 White Board Presentation

Lorraine Morris (3rd/4th grade teacher), addressed the Board to present information relating to the use of Chrome Books in the classroom. Mrs. Morris's classroom has a cart of Chrome Books for full time use. Mrs. Morris was interesting in identifying advantages of students having full time use of Chrome Books in the classroom and lobbied to allow her students to have full time access. The students have had full access to Chromebooks for approximately one and a half academic years. Mrs. Morris presented a Power Point presentation relating to the benefits of daily exposure to Chrome Book access. The presentation included the benefits of improved keyboarding skills, typing stamina, improved navigation skills, fluency, use of available sites, including; Google Classroom, Google Docs, ReadWorks Digital, Extra Math, Multiplication.com, and Ten Marks. Statistics gathered thus far show an improvement in test scores, resulting from improved skills. Use of Chrome Books seems to be very engaging for students, and their use has proved to be very motivational. Students appear to be more enthusiastic when working on 'written' assignments. In response to queries from

the Board, Mrs. Morris reported that thus far, there have not been any issues with the physical computers, computers are used 75% – 80% of the day, and have not required much support from the Technology Integrationist. Mr. Taffel advised that Mrs. Morris has been very involved with technology at BCEMS, and has been assisting staff and teaching classes on the use of promethium boards. Mrs. Morris would like to begin holding classes on the use of Google Classroom.

6.2 FY '18 Tuition Rate

A document titled 'FY18 Announced Tuition-BCEMS' was distributed. Mr. Pandolfo lead the discussion, with proposed tuition rates of \$10,344 for students in grades K-6, and \$10,383 for grades 7 and 8. It was noted that the tuition rate for K-6 remains the same as in FY17, and is slightly lower than the \$10,480 rate for FY16. The 7 and 8 grade tuition is also the same as FY17, and is significantly lower than the FY16 rate of \$11,400. It was noted that there are currently no tuition paying students at BCEMS. **On a motion by Mr. Carrien, seconded by Mr. Smith, the Board unanimously voted to approve the annual tuition rates as proposed (K-6 \$10,344 and 7/8 \$10,383).**

6.3 Open Board Positions

A document titled 'BC Board Seats for March 2017:' was distributed. Discussion was held regarding the reduction of the Board size. The 2017 Board have two fewer seats, changing the Board make-up from 9 members to 7 members. There will be 5 open seats for the March 2017 election. Mr. Blakely, Mr. Deering, Mr. McMichael, and Mrs. Spaulding are all seeking re-election. It is unknown if there are individuals interested in running for the seat vacated by Mrs. Chadderton. It was noted that regardless of the results of the Act 46 re-vote, the Board will need to remain active until at least July 2017. In response to a query from Mrs. Spaulding, Mr. Pandolfo read the language in the Charter change that defines how the transition from a 9 member board to a 7 member board will occur. Mr. Pandolfo expressed his appreciation for those willing to run for re-election, as well as those who are interested in running for the seat vacated by Mrs. Chadderton.

6.4 First Reading Student Conduct and Discipline Policy (F1)

Copies of policies referenced in Agenda Items 6.4 through 6.7 were distributed. Mrs. Spaulding provided a brief overview of the VSBA policies and advised that the policies have been approved by the Supervisory Board.

On a motion by Mr. Carrien, seconded by Mr. Smith, the Board unanimously voted to approve the policies referenced in Agenda Items 6.4 through 6.7 (F1, F7, F21, and F25)

6.5 First Reading Student Alcohol and Drugs Policy (F7)

Approved under Agenda Item 6.4.

6.6 First Reading Firearms Policy (F21)

Approved under Agenda Item 6.4.

6.7 First Reading Student Attendance Policy (F25)

Approved under Agenda Item 6.4.

6.8 Warning for March 7, 2017 Vote

This Agenda Item was discussed after discussion of Agenda Item 7.1 (FY18 Budget). A copy of the 'Barre City School District Warning for March 7, 2017 Vote', was distributed. Mrs. Spaulding advised that she would like to increase the number of parents who vote. Mrs. Spaulding has been in contact with Barre City Clerk, Carol Dawes for suggestions. Ms. Dawes has suggested that a copy of the voter check list be obtained and reviewed. Ms. Dawes advised that secure boxes can be placed at the school for collection of voter registration forms and completed absentee ballots. Lengthy discussion was held regarding strategies to facilitate voter registration and absentee voting. The Board agreed to obtain a copy of the voter check list, promote voter registration, and promote the use of absentee ballots. Mr. Taffel agreed to assist with the project to increase parental voting, and will meet with office staff regarding placement of materials, as well as assist with creation of a post card for absentee ballot requests.

On a motion by Mr. Carrien, seconded by Mr. Deering, the Board unanimously voted to approve the Warning titled 'Barre City School District Warning for March 7, 2017 Vote'.

7. Old Business

7.1 FY '18 Budget

Six documents were distributed; the BCEMS FY18 Budget Considerations document (revised 01/04/17), the BCEMS Comparative Tax Rate Calculations for Budget Years 2017-2018 document, the 'Three Prior Years Comparisons – Format as Provided by AOE' report, 2 Power Point Presentation screen shots (Proposed Expense Budget and 2017 Comparison of Education Spending/Equalized Pupils in Neighboring/Comparable Schools), and the 'BCEMS FY18 BUDGET DRAFT 1/4/17-NO ADDITIONS' document. Mr. Carrien provided information from the draft Power Point presentation. The Proposed budget for FY18 includes \$13,986,184 and an additional \$700,000 in grant funded expenditures, for a total expenditure budget of \$14,686,515 (a 5.04% increase). Mr. Carrien provided a breakdown, including use of \$250,000 from the Tax Stabilization Fund, and advised regarding the cost per equalized pupil.

Information was also provided regarding the CLA, historical budget data (2013 – 2017), the increase to the tax rate, ballot language, the definition of the equalized pupil calculation, contributing factors that affect the tax rate (expenses, revenue, equalized pupils, yield amounts, and CLAs), BCEMS spending per pupil (considerably below the state average), budget goals (including fiscal responsibility and targeted investments), and Special Articles (reorganization of the Building Improvement Note and \$50,000 for the Capital Improvement Fund). Mr. Pandolfo provided an overview of the document showing comparisons of education spending with neighboring/comparable schools. Mrs. Spaulding advised that some of the increase in the proposed budget is due to the threshold limits imposed last year. **On a motion by Mr. Deering, seconded by Mr. Smith, the Board unanimously agreed to approve an expenditure budget of \$13,986,184 for FY18 for BCEMS.**

7.2 Act 46

Mr. Pandolfo advised that the revote in Barre Town is warned for January 31, 2017. Mr. Pandolfo advised of active participation in the Town, from supporters and from those who oppose Article I. It was noted that if Article I passes, there will be a significant decrease in the tax rate (approximately 6%). Clarification has been provided regarding the number of votes required to pass Article I. For the Article to pass, the majority of votes must be in favor of the Act, and there must be a minimum of 1406 votes in favor. Additionally, Mr. Pandolfo advised that the Legislature is focusing its efforts on Act 166 issues (Universal Pre-K) and that no substantial changes are currently being proposed to Act 46.

7.3 Labor Relations

Mr. Pandolfo distributed a revised copy of the 'Proposal Status' report for teachers. Mr. Pandolfo reminded Board Members that 'TA'd' refers to items that have been tentatively agreed to. Mr. Pandolfo advised that the last meeting with teachers was on 12/14/16, and that the next negotiation meeting with teachers is scheduled for January 17, 2017. The biggest issues are health insurance and salaries. The Negotiation Committee met with para-educators on December 5, 2016, and plan to meet again on January 11, 2017. The Negotiation Committee has been in contact with custodial/maintenance personnel, and will be scheduling meetings for late January or early February 2017.

7.4 Second and Final Reading Substitute Teachers Policy (D6)

Copies of policies referenced in Agenda Items 7.4 through 7.11 were distributed. Brief discussion was held regarding these policies which were previously approved (in December 2016) as First Readings, and are being presented as Second and Final Readings, for approval and ratification. It was noted that the BCEMS Policy Committee needs to review and delete existing policies that are superseded by the newly approved policies. The Policy Committee is asked to compile a list of obsolete policies for presentation at the February meeting. Mr. Pandolfo advised that Pam Wark will be notified to update the policies to reflect the dates of approval of the second reading and ratification, and that the Web Master would be contacted to upload the newly ratified policies.

On a motion by Mr. Smith, seconded by Mr. Carrien, the Board unanimously voted to approve the Second and Final Readings of the policies referenced in Agenda Items 7.4 through 7.11, and agreed to ratify said policies; D6, D7, F5, F19, F23, F27, C23, and G13.

7.5 Second and Final Reading Volunteers and Work Study Students Policy (D7)

Approved under Agenda Item 7.4.

7.6 Second and Final Reading Education Records Policy (F5)

Approved under Agenda Item 7.4.

7.7 Second and Final Reading Limited English Proficiency Students Policy (F19)

Approved under Agenda Item 7.4.

7.8 Second and Final Reading Participation of Home Study Students Policy (F23)

Approved under Agenda Item 7.4.

7.9 Second and Final Reading Pupil Privacy Rights Policy (F27)

Approved under Agenda Item 7.4.

7.10 Second and Final Reading Use of Restraint and Seclusion Policy (C23)

Approved under Agenda Item 7.4.

7.11 Second and Final Reading Animal Dissection Policy (G13)

Approved under Agenda Item 7.4.

8. Board Reports

8.1 Superintendent

A copy of the Superintendent's report dated January 3, 2017 was distributed. The report included information pertaining to; the wood chip boiler, Act 46, Negotiations, and an upcoming Legislative Breakfast. Mr. Pandolfo advised that the wood chip boiler is being started up this evening. Technicians from AFS are in the building and will remain nearby to monitor the system and identify any newly arising issues. Mr. Pandolfo provided an overview of what steps were taken to remedy the original issue, advised regarding the State inspection, and advised that expense to the school was limited to the cost of propane and the loss of man hours. Mr. Pandolfo reminded the Board and community members that Act 46 information remains available on-line for those wishing to obtain additional information. Negotiation information is also available via the SU web-site. Mr. Pandolfo is working on scheduling the Legislative Breakfast for 01/23/17, 01/30/17, or 02/06/17.

8.2 Principals Report

A copy of the Co-Principals' report dated January 2017 was distributed. The report included information pertaining to; Early Literacy Assessments, mid-year literacy and math assessments for students in grades K-8, winter concerts and choral performances, the upcoming Staff Development Day (January 16, 2017), the Young Rembrandts program, and current enrollment (905, including students in approved community centers). Mr. Taffel highlighted the great performances in the winter concerts and performances, and advised regarding a smooth transition back to school after the winter break. NAEP testing will occur at the end of February for grades 4 and 8. Mr. Taffel reported that 80% of this year's NAEP testing, will occur on tablets (provided by NAEP), and that the remaining 20% of the testing will involve use of paper/pencils. Discussion was held regarding the recent evacuation process due to the furnace malfunction. It was noted that students and staff were very supportive and cooperative, and Mr. Taffel advised he was very impressed by how everyone worked together. It was noted that the Barre Fire Department and the bus company were very quick to respond. The evacuation process is being reviewed to identify areas that may be improved in future evacuations (including communication and communication protocol). Mr. Taffel advised that Outright Vermont will be presenting at the upcoming Staff Development Day. Outright Vermont will provide information pertaining to sexual identity issues.

8.3 Committee Reports

Policy – The Committee has not met recently. The next meeting will involve identification of policies that need to be rescinded.

Curriculum – The Committee did not meet in December. The next meeting will be on Monday, January 23, 2017 at 5:30 p.m. in the Conference Room.

Facility/Security – The Committee has not met recently. The next meeting will tentatively be held the week of January 16th.

Finance – The Committee met on January 3, 2017. Draft Minutes will be going out soon. The next meeting will be on January 26, 2017 at 5:30. The Agenda will include a review of the FY17 budget.

8.4 Financial Report

The BCEMS and BSU Expense Budget Status Reports were distributed. Mrs. Spaulding advised that the reports showed a 'snap shot' of the currently financial status. No discussion was held.

9. Round Table/Future Agenda Items

Mr. Pandolfo advised that a PBIS presentation will be scheduled for the February Board Meeting. The presentation should include information pertaining to the bulletin board, the system, and data (including previous years' data and up-to-date information for the current academic year).

Mrs. Spaulding advised that the BCEMS Budget will be presented to the Barre City Council on Tuesday, January 10, 2017. The presentation is slated for approximately 7:00 p.m. Mr. Pandolfo, Mr. Taffel, and Mrs. Spaulding will be giving the presentation. All Board Members are encouraged to attend and support the budget.

Mrs. Spaulding advised that she is attempting to get more students involved in the Penguin Plunge. Information is available on the BCMEs Facebook page, which can be accessed via the school web-site.

Upcoming Meetings:

Facilities Committee – To be announced. The meeting will probably occur the week of January 16th.

Policy Committee – To be announced.

Curriculum Committee – Monday, January 23, 2017 at 5:30 p.m. in the BCEMS Conference Room

Finance Committee – Thursday, January 26, 2017 at 5:30 in the BCEMS Conference Room

10. Executive Session

10.1 Superintendent's Evaluation

The Superintendent's Evaluation was proposed for discussion in Executive Session.

On a motion by Mr. Smith, seconded by Mr. Carrien, the Board unanimously voted to enter into Executive Session at 7:45 p.m. under the provisions of 1 VSA section 313 to discuss the item proposed for discussion.

The remaining information was provided by the Board Clerk.

On a motion by Mr. Carrien, seconded by Mr. Deering, the Board unanimously voted to exit Executive Session at 8:35 p.m.

11. Adjournment

On a motion by Mr. Carrien, seconded by McMichael, the Board unanimously voted to adjourn at 8:35 p.m.

Respectfully submitted,
Andrea Poulin

DRAFT

4.2

BARRE CITY SCHOOL DISTRICT

SPECIAL SCHOOL BOARD MEETING
Barre City Elementary and Middle School –Conference Room
January 26, 2017 - 5:30 p.m.

MINUTES

BOARD MEMBERS PRESENT:

Sonya Spaulding – Chair
Jim Carrien – Vice Chair
Tyler Smith - Clerk
Joe Blakely
Andrew McMichael

BOARD MEMBERS ABSENT:

Giuliano Cecchinelli, II
Michael Deering
C. Sedillia Jenkins
Vacant Position

ADMINISTRATORS PRESENT:

John Pandolfo, Superintendent
James Taffel, Principal
Stacy Anderson, Director of Special Services
Lisa Perreault, Business Manager

GUESTS PRESENT:

Information for the Minutes was provided by the Board Clerk

1. Call to Order: Pledge of Allegiance

The Chair, Mrs. Spaulding, called the Thursday, January 26, 2017, Special meeting to order at 5:39 p.m., which was held at the Barre City Elementary and Middle School Conference Room.

2. Additions and/or Deletions to the Agenda

None.

3. Old Business

3.1 Warning for March 7, 2017

The Board was advised regarding a change to the Warning. The cost per equalized pupil has changed from 6.8% to 6.2%. The Warning has been amended to reflect the new percentage.

On a motion by Mr. Carrien, seconded by Mr. McMichael, the Board unanimously voted to approve the amended Warning for the March 7, 2017 vote.

4. Adjournment

On a motion by Mr. Carrien, seconded by Mr. Blakely, the Board unanimously voted to adjourn at 5:41 p.m.

Respectfully submitted,
Andrea Poulin

December 5, 2016

The Board of Education
Barre City Elementary and Middle School

In connection with audit engagements, we are required by auditing standards generally accepted in the United States of America to communicate certain matters with those charged with governance. The term "those charged with governance" means the persons with responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity, for example the Board of Education (the Board) or a designated Board officer or committee. This communication is provided in connection with our audit of the financial statements of the Barre City Elementary and Middle School (the District) as of and for the year ended June 30, 2016.

These standards require us to communicate with you any matters related to the financial statement audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. They also set the expectation that our communication will be two way, and that the Board or their designee will communicate with us matters you consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing, and extent of audit procedures.

This letter summarizes those matters which we are required by professional standards to communicate to you in your oversight responsibility for the District's financial reporting process.

Auditor's Responsibility under Professional Standards

Our responsibility under auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States was described in our arrangement letter dated May 12, 2016.

An Overview of the Planned Scope and Timing of the Audit

The scope of the audit was also described in our arrangement letter dated May 12, 2016. The audit was conducted in October and November 2016; our exit conference with management was held on November 30, 2016. Draft copies of the financial statements and audit reports were provided to management in December 2016.

Accounting Practices

- **Adoption of, or Change in, Accounting Policies**

Management and the Board have ultimate responsibility for the appropriateness of the accounting policies used by the District. Management has implemented Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, for the year ended June 30, 2016.

- **Significant or Unusual Transactions**

We did not identify any significant or unusual transactions or accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

- **Alternative Treatments Discussed with Management**

We did not discuss with management any alternative treatments within accounting principles generally accepted in the United States of America for accounting policies and practices related to material items during the current audit period.

Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. The significant accounting estimates reflected in the District's 2016 financial statements are depreciation expense and the State of Vermont's estimate of the net pension expense for the State Teachers' Retirement System of Vermont.

Audit Adjustments

During the audit we proposed six adjustments to the original trial balance provided for audit. In addition, management provided two adjustments to correct various accounts identified throughout fieldwork and to record additional accruals identified after year end. A copy of the audit adjustments is available upon request.

Management accepted the proposed adjustments and those changes are reflected in the 2016 financial statements. The significant effects of these adjustments were to (1) adjust capital asset balances and record depreciation expense, (2) adjust accrued compensated absences, (3) correct health insurance payable, (4) adjust capital lease payable, and (5) correct revenue.

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, the significant disclosures to be included in the financial statements, or other matters.

Consultations with Other Accountants

We are not aware of any consultations that management may have had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

We did not have correspondence with management regarding significant issues arising from the audit. We have discussed accounting matters relating to the District's accounting estimates and audit adjustments.

Difficulties Encountered in Performing the Audit

We did not encounter any difficulties during the audit.

Material Weaknesses

We identified no material weaknesses in the District's system internal control.

Certain Written Communications between Management and Our Firm

Management provided written representations in connection with the audit in a letter to our firm dated December 5, 2016. A copy of this letter is available upon your request.

This report is intended solely for the information and use of the Board of Education and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this letter. We appreciate the opportunity to be of service to the District.

Very truly yours,
Mudgett, Jennett & Krogh-Wisner, P.C.

*Mudgett, Jennett &
Krogh-Wisner, P.C.*

**BARRE CITY ELEMENTARY
AND MIDDLE SCHOOL
BARRE, VERMONT**

**FINANCIAL STATEMENTS
JUNE 30, 2016
AND
INDEPENDENT AUDITOR'S REPORTS**

BARRE CITY ELEMENTARY AND MIDDLE SCHOOL

JUNE 30, 2016

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INDEPENDENT AUDITOR'S REPORT

The Superintendent and Board of Education
Barre City Elementary and Middle School

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Barre City Elementary and Middle School (the District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Barre City Elementary and Middle School as of June 30, 2016, and the respective changes in financial

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2016, on our consideration of the District's internal control over financial reporting; on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements; and on other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Montpelier, Vermont
December 5, 2016

*Mudgett, Jirrett &
Joseph W. Jirrett, P.C.*

**BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

Our discussion and analysis of Barre City Elementary and Middle School's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2016. Please read it in conjunction with the District's financial statements.

Financial Highlights

- The District's net position decreased by \$386,176, or approximately 6%, as a result of this year's operations. Last year the net position increased by \$188,541.
- The cost of all of the District's programs was \$16,197,582 this year compared to \$14,790,331 last year.
- The General Fund had a decrease in fund balance of \$482,096 this year compared to an increase of \$283,056 last year.
- Fund balance of the General Fund is \$272,745, of which \$3,545 was nonspendable and \$269,200 was unassigned, at June 30, 2016.
- As of June 30, 2016, the Grants Fund had a restricted fund balance of \$22,025, the Capital Projects Fund had a committed fund balance of \$159,112, and the Tax Stabilization Fund had a committed fund balance of \$317,547.

Using This Annual Report

This annual report consists of a series of financial statements. The Government-wide Statement of Net Position and the Government-wide Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. The governmental fund financial statements, the Balance Sheet - Governmental Funds, the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds, and the Statement of Revenues and Expenditures - Budget and Actual - General Fund, provide information about the District's governmental funds. These statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statement, the Statement of Net Position - Fiduciary Funds, provides financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside the District.

Reporting the District as a Whole

The financial statements of the District as a whole are provided in the Government-wide Statement of Net Position and the Government-wide Statement of Activities. One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The Government-wide Statement of Net Position and the Government-wide Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and change in net position. You can think of the District's net position, the difference between assets and liabilities, as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the District's property tax base and the condition of the District's capital assets, to assess the overall health of the District.

All of the District's basic services are governmental activities. They include regular and special education for Pre-K through 8th grade, support services, administrative services, transportation, interest on long-term debt and other activities. The education spending grant and other state grants finance most of these activities.

Reporting the District's Most Significant Funds

The financial statements of the District's major governmental funds are reflected in the fund financial statements. The fund financial statements provide detailed information about the most significant funds, not the District as a whole. Some funds are required to be established by state law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money [like grants received from the State of Vermont Agency of Education (AOE)].

Governmental Funds

All of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (as reported in the Government-wide Statement of Net Position and the Government-wide Statement of Activities) and governmental funds (as reported in the Balance Sheet - Governmental Funds and the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds) in reconciliations for each governmental fund financial statement.

The District as Agent

The District is the fiscal agent for funds held for various school related activities. All of the District's fiduciary activities are Agency Funds and are reported in a separate Statement of Net Position - Fiduciary Funds. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The District as a Whole

The District's combined net position decreased by \$386,176 from a year ago, decreasing from \$6,953,604 to \$6,567,428.

Our analysis below focuses on the components of net position (Table 1) and changes in net position (Table 2) of the District's governmental activities.

Table 1
Net Position

	<u>2016</u>	<u>2015</u>	<u>Net Change</u>
Current and other assets	\$1,864,350	\$1,957,716	\$ (93,366)
Capital assets	<u>5,892,187</u>	<u>6,057,986</u>	<u>(165,799)</u>
Total assets	<u>7,756,537</u>	<u>8,015,702</u>	<u>(259,165)</u>
Capital lease obligation	9,814	14,413	(4,599)
Other liabilities	<u>1,179,295</u>	<u>1,047,685</u>	<u>131,610</u>
Total liabilities	<u>1,189,109</u>	<u>1,062,098</u>	<u>127,011</u>
Net position:			
Net investment in capital assets	5,882,373	6,043,573	(161,200)
Restricted	498,684	232,786	265,898
Unrestricted	<u>186,371</u>	<u>677,245</u>	<u>(490,874)</u>
Total net position	<u>\$6,567,428</u>	<u>\$6,953,604</u>	<u>\$ (386,176)</u>

The net position of the District's governmental activities decreased, by \$386,176, to \$6,567,428 at June 30, 2016 from \$6,953,604 at June 30, 2015. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, changed from a surplus of \$677,245 at June 30, 2015, to a surplus of \$186,371 at June 30, 2016.

Table 2
Changes in Net Position

	<u>2016</u>	<u>2015</u>	<u>Net Change</u>
REVENUES			
Program revenues:			
Grants and contributions	\$5,474,253	\$4,551,081	\$ 923,172
Other sources	156,976	216,100	(59,124)
General revenues:			
Education Spending Grant	10,134,500	10,170,517	(36,017)
Interest earned	<u>45,677</u>	<u>41,174</u>	<u>4,503</u>
Total revenues	<u>15,811,406</u>	<u>14,978,872</u>	<u>832,534</u>
PROGRAM EXPENSES			
Education	14,941,912	13,668,332	1,273,580
State, federal and local programs	1,164,433	1,080,639	83,794
Capital projects	54,403	1,898	52,505
Interest on long-term debt	<u>36,834</u>	<u>39,462</u>	<u>(2,628)</u>
Total program expenses	<u>16,197,582</u>	<u>14,790,331</u>	<u>1,407,251</u>
Change in net position	<u>\$ (386,176)</u>	<u>\$ 188,541</u>	<u>\$ (574,717)</u>

Governmental Activities

Table 3 presents the cost of each of the District's programs as well as each program's net cost (total cost less revenue generated by the activities). The net cost shows the financial burden that was placed on the state's taxpayers by each of these functions.

Table 3

	<u>2016</u>		<u>2015</u>	
	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Education	\$ 14,941,912	\$ 10,498,753	\$ 13,668,332	\$ 10,001,917
State, federal and local programs	1,164,433	(23,637)	1,080,639	(20,127)
Capital projects	54,403	54,403	1,898	1,898
Interest on long-term debt	36,834	36,834	39,462	39,462
Totals	<u>\$ 16,197,582</u>	<u>\$ 10,566,353</u>	<u>\$ 14,790,331</u>	<u>\$ 10,023,150</u>

The District's Funds

As the District completed the year, its governmental funds (as presented in the Balance Sheet - Governmental Funds) reported a combined fund balance of \$771,429, which is less than last year's total of \$987,627. The decrease in this year's combined fund balance is due to the following changes in individual fund balances: a decrease of \$482,096 in the General Fund, an increase of \$417 in the Grant Funds, a decrease of \$52,066 in the Capital Projects Fund, and an increase of \$317,547 in the Tax Stabilization Fund.

General Fund Budgetary Highlights

Over the course of the year, the District's administrators monitor actual results compared to budget. Significant budget to actual variances are noted below.

The District received \$294,959 more in intergovernmental - state revenue than was budgeted. This increase was due to additional special education reimbursements. This increase is offset by special education expenditures being over budget by \$399,809.

Budget to actual variances in shared services wage reimbursements revenue and shared services wages expenditure are directly related to each other and offsetting.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2016, the District had \$5,892,187 invested in a broad range of capital assets that includes land, elementary school buildings, equipment, fixtures and fields, net of accumulated depreciation (see Table 4 below). This amount represents a net decrease of \$165,799 compared to last year.

Table 4
Capital Assets at Year-End
(Net of Accumulated Depreciation)

	<u>2016</u>	<u>2015</u>	<u>Change</u>
Land	\$ 229,304	\$ 229,304	\$ -
Construction in process	42,200	-	42,200
Buildings and improvements	5,361,453	5,643,973	(282,520)
Equipment and fixtures	250,120	173,982	76,138
Fields	9,110	10,727	(1,617)
Totals	<u>\$5,892,187</u>	<u>\$ 6,057,986</u>	<u>\$(165,799)</u>

Current year additions consisted of construction in progress of \$42,200, buildings improvements of \$51,597 and equipment of \$126,682.

Debt

At year-end, the District had no long-term debt outstanding.

Economic Factors and Next Year's Budgets and Rates

The State of Vermont continues to address property tax relief measures while introducing cost containment solutions that have impacted the current FY17 budget and will have an impact on the budget development for FY18. Budget development for FY17 presented challenges with ACT 46 cost containment rules which were subsequently repealed after the development and approval of the FY17 budgets. The first Act 46 merger vote failed in Barre Town but passed in Barre City. A revote is scheduled for January 31, 2017 to merge the Barre Community to a Unified School District.

In FY17 the Barre Supervisory Union and its member districts are in full compliance with Act 153. All special education staff and services are budgeted in the Supervisory Union. Due to the current contract for paraeducators, we were unable to transfer employment of paraeducators to the Supervisory Union; however, they are budgeted there and these expenses will be reduced from the budgeted assessment. Transportation is also fully funded by the Barre Supervisory Union. The Barre Supervisory Union Board voted to contract with an outside service provider for transportation for special education to eliminate the existing disparate methods of transportation as recommended by the AOE.

The Affordable Care Act continues to challenge districts. The Business and Human Resources offices continue to stay informed by attending trainings, participating in webinars, and attending workshops offered by Vermont Education Health Initiative and Vermont School Boards Insurance Trust.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Manager at the Barre Supervisory Union at 120 Ayers Street, Barre, VT 05641.

**BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2016**

	<u>Governmental Activities</u>
ASSETS:	
Current assets -	
Cash and cash equivalents	\$ 1,696,367
Accounts receivable	164,438
Prepaid expenses	<u>3,545</u>
Total current assets	<u>1,864,350</u>
Noncurrent assets -	
Capital assets	12,439,681
less - accumulated depreciation	<u>(6,547,494)</u>
Total noncurrent assets	<u>5,892,187</u>
Total assets	<u>7,756,537</u>
LIABILITIES:	
Current liabilities -	
Accounts payable	50,033
Accrued expenses	1,004,792
Due to other districts	38,096
Current portion of capital lease	<u>5,011</u>
Total current liabilities	<u>1,097,932</u>
Noncurrent liabilities -	
Accrued compensated absences	86,374
Capital lease	<u>4,803</u>
Total noncurrent liabilities	<u>91,177</u>
Total liabilities	<u>1,189,109</u>
NET POSITION:	
Net investment in capital assets	5,882,373
Restricted	498,684
Unrestricted	<u>186,371</u>
Total net position	<u>\$ 6,567,428</u>

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

**BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**

		<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Grants and</u>		<u>Revenue and</u>
	<u>Expenses</u>	<u>Contributions</u>	<u>Other</u>	<u>Change in</u>
FUNCTIONS/PROGRAMS:				<u>Net Position</u>
Governmental activities -				
Education	\$ 14,941,912	\$ 4,286,183	\$ 156,976	\$ (10,498,753)
State, federal and local programs	1,164,433	1,188,070	-	23,637
Capital projects	54,403	-	-	(54,403)
Interest on long-term debt	<u>36,834</u>	<u>-</u>	<u>-</u>	<u>(36,834)</u>
Total governmental activities	\$ <u>16,197,582</u>	\$ <u>5,474,253</u>	\$ <u>156,976</u>	<u>(10,566,353)</u>
GENERAL REVENUES - EDUCATION SPENDING GRANT				10,134,500
- INTEREST EARNED				<u>45,677</u>
				<u>10,180,177</u>
CHANGE IN NET POSITION				(386,176)
NET POSITION, July 1, 2015				<u>6,953,604</u>
NET POSITION, June 30, 2016				\$ <u>6,567,428</u>

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

BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2016
(Page 1 of 2)

	General <u>Fund</u>	Grant <u>Funds</u>	Capital Projects <u>Fund</u>	Tax Stabilization <u>Fund</u>	Totals Governmental <u>Funds</u>
ASSETS					
Cash and cash equivalents	\$ 1,696,367	\$ -	\$ -	\$ -	\$ 1,696,367
Accounts receivable	164,438	-	-	-	164,438
Prepaid expenditures	3,545	-	-	-	3,545
Due from other funds	<u>-</u>	<u>48,866</u>	<u>159,112</u>	<u>317,547</u>	<u>525,525</u>
Total assets	\$ <u>1,864,350</u>	\$ <u>48,866</u>	\$ <u>159,112</u>	\$ <u>317,547</u>	\$ <u>2,389,875</u>
LIABILITIES AND FUND EQUITY					
LIABILITIES:					
Accounts payable	\$ 49,776	\$ 257	\$ -	\$ -	\$ 50,033
Accrued expenditures	1,001,425	3,367	-	-	1,004,792
Due to other funds	525,525	-	-	-	525,525
Due to other districts	<u>14,879</u>	<u>23,217</u>	<u>-</u>	<u>-</u>	<u>38,096</u>
Total liabilities	<u>1,591,605</u>	<u>26,841</u>	<u>-</u>	<u>-</u>	<u>1,618,446</u>
FUND EQUITY:					
Fund balances -					
Nonspendable	3,545	-	-	-	3,545
Restricted	-	22,025	-	-	22,025
Committed	-	-	159,112	317,547	476,659
Unassigned	<u>269,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>269,200</u>
Total fund balances	<u>272,745</u>	<u>22,025</u>	<u>159,112</u>	<u>317,547</u>	<u>771,429</u>
Total liabilities and fund equity	\$ <u>1,864,350</u>	\$ <u>48,866</u>	\$ <u>159,112</u>	\$ <u>317,547</u>	\$ <u>2,389,875</u>

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

**BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2016
(Page 2 of 2)**

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION:**

Amount reported on Balance Sheet - Governmental Funds - total fund balances	\$ 771,429
Amounts reported for governmental activities in the Government-wide Statement of Net Position are different because -	
Capital assets used in governmental funds are not financial resources and are therefore not reported in the funds.	
Capital assets	12,439,681
Accumulated depreciation	(6,547,494)
Long-term liabilities not due and payable in the current period are not reported in the funds.	
Accrued compensated absences	(86,374)
Capital lease	<u>(9,814)</u>
Net position of governmental activities - Government-wide Statement of Net Position	\$ <u>6,567,428</u>

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

**BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

(Page 1 of 3)

	General <u>Fund</u>	Grant <u>Funds</u>	Capital Projects <u>Fund</u>	Tax Stabilization <u>Fund</u>	Totals Governmental <u>Funds</u>
REVENUES:					
Education spending grant	\$ 10,134,500	\$ -	\$ -	\$ -	\$ 10,134,500
Intergovernmental - State	4,286,183	420,158	-	-	4,706,341
- Federal	-	740,379	-	-	740,379
Local grants and contributions	-	27,533	-	-	27,533
Shared services wage reimbursements	136,904	-	-	-	136,904
Interest	33,830	-	6,085	5,762	45,677
Miscellaneous	20,072	-	-	-	20,072
Total revenues	<u>14,611,489</u>	<u>1,188,070</u>	<u>6,085</u>	<u>5,762</u>	<u>15,811,406</u>
EXPENDITURES:					
Instruction	6,526,701	-	-	-	6,526,701
Special education	4,267,711	-	-	-	4,267,711
Co-curricular activities	41,054	-	-	-	41,054
Behavioral support	66,535	-	-	-	66,535
Guidance	280,667	-	-	-	280,667
Health services	120,936	-	-	-	120,936
Psychological services	136,102	-	-	-	136,102
Curriculum services	5,255	-	-	-	5,255
Library services	164,738	-	-	-	164,738
Technology	97,935	-	-	-	97,935
Board of Education	99,631	-	-	-	99,631
Office of Superintendent	491,623	-	-	-	491,623
Office of Principal	482,924	-	-	-	482,924
School police officer	39,570	-	-	-	39,570
Operation and maintenance	975,054	-	54,403	-	1,029,457
Student transportation	610,415	-	-	-	610,415
Consolidated federal programs	-	579,945	-	-	579,945
IDEA B	-	160,474	-	-	160,474
Medicaid	-	378,511	-	-	378,511
Other grants	-	45,503	-	-	45,503
Shared services wages	136,904	-	-	-	136,904
Miscellaneous	3,101	-	-	-	3,101

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

**BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(Page 2 of 3)**

	<u>General Fund</u>	<u>Grant Funds</u>	<u>Capital Projects Fund</u>	<u>Tax Stabilization Fund</u>	<u>Totals Governmental Funds</u>
EXPENDITURES (CONTINUED):					
Capital outlay	143,511	23,220	53,748	-	220,479
Debt service - Interest	36,202	-	-	-	36,202
Capital lease - Principal	4,599	-	-	-	4,599
- Interest	632	-	-	-	632
Total expenditures	<u>14,731,800</u>	<u>1,187,653</u>	<u>108,151</u>	<u>-</u>	<u>16,027,604</u>
 EXCESS OF REVENUES OR (EXPENDITURES)	 (120,311)	 417	 (102,066)	 5,762	 (216,198)
 OTHER FINANCING SOURCES (USES):					
Interfund transfers in (out)	<u>(361,785)</u>	<u>-</u>	<u>50,000</u>	<u>311,785</u>	<u>-</u>
 NET CHANGE IN FUND BALANCES	 (482,096)	 417	 (52,066)	 317,547	 (216,198)
 FUND BALANCES, July 1, 2015	 <u>754,841</u>	 <u>21,608</u>	 <u>211,178</u>	 <u>-</u>	 <u>987,627</u>
 FUND BALANCES, June 30, 2016	 \$ <u>272,745</u>	 \$ <u>22,025</u>	 \$ <u>159,112</u>	 \$ <u>317,547</u>	 \$ <u>771,429</u>

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

**BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(Page 3 of 3)**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES:**

Net change in fund balances - total governmental funds \$ (216,198)

Amounts reported for governmental activities in the Government-wide
Statement of Activities are different because -

Governmental funds report capital outlays as expenditures. However,
in the Statement of Activities, the cost of those assets is allocated
over their estimated useful lives as depreciation expense.

Additions to capital assets, net of dispositions	220,479
Depreciation	(386,278)

The issuance of long-term debt (bonds, leases, etc.) 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 has any effect on net position.

Debt service - principal paid on capital lease	4,599
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Changes in accrued compensated absences accumulated by employees will
increase or decrease the liability reported in the government-wide statements,
but are only recorded as an expenditure when paid in the governmental funds.

Increase in accrued compensated absences	<u>(8,778)</u>
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Change in net position of governmental activities -
Government-wide Statement of Activities

\$ (386,176)

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

**BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016**

(Page 1 of 2)

	Original and Final <u>Budget</u>	Actual (Budgetary Basis)	Variance Over (Under)
REVENUES:			
Education spending grant	\$ 10,134,500	\$ 10,134,500	\$ -
Intergovernmental - State	2,530,258	2,825,217	294,959
Shared services wage reimbursements	-	136,904	136,904
Interest	19,000	33,830	14,830
Miscellaneous	<u>7,217</u>	<u>20,072</u>	<u>12,855</u>
Total revenues	<u>12,690,975</u>	<u>13,150,523</u>	<u>459,548</u>
EXPENDITURES:			
Instruction	4,908,040	5,065,735	157,695
Special education	3,867,902	4,267,711	399,809
Co-curricular activities	44,258	41,054	(3,204)
Behavioral support	66,497	66,535	38
Guidance	300,226	280,667	(19,559)
Health services	133,958	120,936	(13,022)
Psychological services	159,091	136,102	(22,989)
Curriculum services	17,050	5,255	(11,795)
Library services	148,555	164,738	16,183
Technology	190,348	192,796	2,448
Board of Education	242,548	99,631	(142,917)
Office of Superintendent	491,623	491,623	-
Office of Principal	548,833	482,924	(65,909)
School police officer	39,570	39,570	-
Operation and maintenance	1,054,247	1,023,704	(30,543)
Student transportation	554,749	610,415	55,666
Shared services wages	-	136,904	136,904
Miscellaneous	3,480	3,101	(379)
Debt service - Interest	30,000	36,202	6,202
Capital lease - Principal	-	4,599	4,599
- Interest	<u>-</u>	<u>632</u>	<u>632</u>
Total expenditures	<u>12,800,975</u>	<u>13,270,834</u>	<u>469,859</u>

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

**BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016**

(Page 2 of 2)

	Original and Final <u>Budget</u>	Actual (Budgetary <u>Basis</u>)	Variance Over (<u>Under</u>)
EXCESS OF REVENUES OR (EXPENDITURES)	(110,000)	(120,311)	10,311
OTHER FINANCING SOURCES (USES):			
Interfund transfers in (out)	<u>110,000</u>	<u>(361,785)</u>	<u>(471,785)</u>
NET CHANGE IN FUND BALANCE	\$ <u>-</u>	\$ <u>(482,096)</u>	\$ <u>(482,096)</u>

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

**BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2016**

Agency
Funds

ASSETS:

Cash	\$ <u>116,284</u>
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LIABILITIES:

Due to student organizations	\$ <u>116,284</u>
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The notes to financial statements are an integral part of this statement.

BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

1. Summary of significant accounting policies:

The Barre City Elementary and Middle School (the District) is organized according to state law under the governance of the School Board to provide public school education for the students of the City of Barre, Vermont. Functions of the Office of the Superintendent and central administration are provided through the Barre Supervisory Union (the Supervisory Union). As currently structured, the Supervisory Union is the administrative oversight district for Spaulding Union High School District #41 and Central Vermont Career Center, Barre Town Middle and Elementary School, and this District.

- A. Reporting entity - The District is a primary unit of government under reporting criteria established by the Governmental Accounting Standards Board (GASB). Those criteria include a separately elected governing body, separate legal standing, and fiscal independence from other state and local governmental entities. Based on these criteria, there are no other entities which are component units of the District.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing *Governmental Accounting and Financial Reporting Standards* which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes U. S. GAAP for governmental units.

- B. Government-wide and fund financial statements - The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District has no business-type activities.

In the Government-wide Statement of Net Position, the financial position of the District is consolidated and incorporates capital assets as well as all long-term debt and obligations. The Government-wide Statement of Activities reflects both the gross and net costs by category. Direct expenses that are clearly identifiable with the category are offset by program revenues of the category. Program revenues include charges for services provided by a particular function or program and grants that are restricted to meeting the operational or capital requirements of the particular segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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. Nonmajor funds, if any, are summarized in a single column.

- C. Basis of presentation - The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund balances or net position, revenues, and expenditures or expenses, as appropriate.

**BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

1. Summary of significant accounting policies (continued):

C. Basis of presentation (continued) -

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources, except those required to be accounted for in another fund.

Capital Projects Fund - The Capital Projects Fund is used to account for the acquisition or construction of major capital facilities.

Tax Stabilization Fund - The Tax Stabilization Fund was established through approval by District voters during the March 2015 School District Meeting to commit the FY14 surplus fund balance for use in future years.

The District also reports the Grant Funds, a nonmajor governmental fund, used to account for the proceeds of specific revenue sources related to federal, state and local grants that are restricted to expenditures for specified services.

The District also reports fiduciary funds which are used to account for assets held in a trustee capacity (trust funds) or as an agent (agency funds) for the benefit of parties outside of the District. The District's fiduciary funds are the Agency Funds.

- D. 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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as they become both measurable and available. "Measurable" means the amount of the transaction that can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures generally are recorded when the fund liability is incurred, if measurable, as under accrual accounting. However, debt service expenditures are recorded only when payment is made.

- E. Budgets and budgetary accounting -** The District adopts a budget for the General Fund at an annual City meeting of the City of Barre. The accounting method used for the budget presentation varies from U.S. GAAP as described in note 9. Formal budgetary integration is employed as a management control during the year for the General Fund. The District does not legally adopt budgets for other governmental funds. All budgeted amounts lapse at year end.

- F. Use of estimates -** The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferred outflows/inflows of resources as well as disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

1. Summary of significant accounting policies (continued):

- G. Risk management - The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and others; environmental liability; and natural disasters. The District manages these risks through commercial insurance packages and participation in public entity risk pools covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. There were no settlements in excess of the insurance coverage in any of the past three fiscal years.
- H. Cash and cash equivalents - The District considers all cash on hand and demand deposits to be cash and cash equivalents.
- I. Prepaid items - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.
- J. Capital assets - Capital assets, which include land, buildings, equipment, vehicles and infrastructure, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The District does not retroactively report infrastructure assets. There have been no infrastructure additions since the implementation of GASB Statement No. 34. Donated capital assets are recorded at fair value at the date of acquisition. Major outlays for capital assets and improvements are capitalized as projects are constructed. Net interest costs are capitalized on projects during the construction period. Normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized. Capital assets are depreciated using the straight-line method over the useful lives shown below:

Buildings and improvements	15 - 40 years
Equipment and fixtures	3 - 5 years
Fields	20 years

- K. Deferred outflows/inflows of resources - In addition to assets and liabilities, deferred outflows of resources and deferred inflows of resources are reported as separate sections in the applicable statement of net position or the balance sheet. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources in the current period. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources in the current period.
- L. Compensated absences and vacation benefits - The District allows employees to accrue \$1,500 of sick leave benefits if they have accumulated 100 or more unused sick leave days. The \$1,500 benefit is payable when the employee leaves the employment of the District. Accrued compensated absences at June 30, 2016, of \$86,374 is based on the number of employees who have accumulated unused sick leave of 100 days or more. This amount has been recorded as a noncurrent liability in the Government-wide Statement of Net Position but not in the fund financial statements.

The District allows certain employees to use vacation benefits in the subsequent year if used by December 31st. Accrued vacation benefits of \$45,930 have been recorded in the General Fund and governmental activities.

BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

1. Summary of significant accounting policies (continued):

M. Long-term obligations - Governmental activities report long-term debt and other long-term obligations as liabilities in the statement of net position. Governmental funds report the amount of debt issued as other financing sources and the repayment of debt as debt service expenditures.

N. Fund equity - In the fund financial statements, governmental funds may report five categories of fund balances: nonspendable, restricted, committed, assigned and unassigned.

Nonspendable fund balance includes amounts associated with inventory, prepaid expenditures, long-term loans or notes receivable, and trust fund principal to be held in perpetuity.

Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed fund balance includes amounts that can be used only for specific purposes determined by the District's highest level of decision making authority, the voters, as a result of articles passed at Annual or Special Meetings.

Assigned fund balance includes amounts that are intended to be used by the District for specific purposes, as authorized by the School Board.

Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in another classification. Deficits are also classified as unassigned.

The District's policy is to apply expenditures to fund balance in the order of assigned, committed, restricted, and unassigned unless the School Board specifies otherwise.

O. On-behalf payments - The State of Vermont makes payments on behalf of the District's teachers to the State Teachers' Retirement System of Vermont (VSTRS). The District recognizes this net pension expense as intergovernmental grant revenue and education expenditures in the government-wide financial statements and in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. The amounts are not budgeted and have been excluded from the budget basis statement; see note 9 for reconciling details.

P. New accounting standard - The District has implemented GASB Statement No. 72, *Fair Value Measurement and Application*. The statement defines fair value and requires certain assets and liabilities to be reported at their fair value in the financial statements and related note disclosures. The statement describes fair value as a market-based measurement which should be determined by the assumptions or inputs used under current market conditions at the measurement date. The statement establishes a fair value hierarchy which distinguishes between observable inputs which are observable from market data (level 1) or corroborated by observable market data (level 2) and those which are unobservable (level 3).

The impact on these financial statements is to report most liquid assets (i.e., cash or investments) at a level 1 market value and to report any donated assets at their acquisition value upon receipt, which would be a level 2 or level 3 input.

BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

2. Deposits:

Custodial credit risk - deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District does not have a policy for custodial credit risk. As of June 30, 2016, the District's depository accounts were fully insured or collateralized.

3. Capital assets:

Capital asset activity for the year ended June 30, 2016 was as follows:

	Balance July 1, 2015	Increase	Decrease	Balance June 30, 2016
Capital assets, not depreciated:				
Land	\$ 229,304	\$ -	\$ -	\$ 229,304
Construction in process	-	42,200	-	42,200
Total capital assets, not depreciated	<u>229,304</u>	<u>42,200</u>	<u>-</u>	<u>271,504</u>
Capital assets, depreciated:				
Buildings and improvements	10,948,685	51,597	-	11,000,282
Equipment and fixtures	1,216,231	126,682	207,367	1,135,546
Fields	32,349	-	-	32,349
Total capital assets depreciated	<u>12,197,265</u>	<u>178,279</u>	<u>207,367</u>	<u>12,168,177</u>
Less accumulated depreciation for:				
Buildings and improvements	5,304,712	334,117	-	5,638,829
Equipment and fixtures	1,042,249	50,544	207,367	885,426
Fields	21,622	1,617	-	23,239
Total accumulated depreciation	<u>6,368,583</u>	<u>386,278</u>	<u>207,367</u>	<u>6,547,494</u>
Capital assets, depreciated, net	<u>5,828,682</u>	<u>(207,999)</u>	<u>-</u>	<u>5,620,683</u>
Capital assets, net	\$ <u>6,057,986</u>	\$ <u>(165,799)</u>	\$ <u>-</u>	\$ <u>5,892,187</u>

Depreciation expense of \$386,278 in the governmental activities was fully allocated to the education function.

4. Interfund receivable and payable balances:

Interfund receivable and payable balances, due to the pooling of cash for cash receipts and disbursements, as of June 30, 2016 are as follows:

	Interfund Receivables	Interfund Payables
General Fund	\$ -	\$ 525,525
Grant Funds	48,866	-
Capital Projects Fund	159,112	-
Tax Stabilization Fund	<u>317,547</u>	<u>-</u>
	\$ <u>525,525</u>	\$ <u>525,525</u>

**BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

5. Interfund transfers:

Interfund transfers constitute the transfer of resources from the fund that receives the resources to the fund that utilizes them. A transfer of \$50,000 from the General Fund to the Capital Projects Fund is to be used in the future for long-term school building repairs. A transfer of \$311,785 from the General Fund to the Tax Stabilization Fund was approved by the voters at the March 2015 annual district meeting to commit the FY14 surplus fund balance for use in future years.

6. Related parties:

The District is billed for its appropriate share of expenditures relating to administrative services provided by the Supervisory Union. The District paid an assessment of \$491,623 to the Supervisory Union for the year ended June 30, 2016.

The following are the amounts receivable from and payable to other districts at June 30, 2016:

	<u>Accounts Receivable</u>	<u>Accounts Payable</u>
Supervisory Union	\$ 6,674	\$ 60,528
Spaulding Union High School District #41 and Central Vermont Career Center	734	26,474
Barre Town Middle and Elementary School	<u>51,134</u>	<u>9,636</u>
	\$ <u>58,542</u>	\$ <u>96,638</u>

7. Debt:

Short-term - During the year, the District borrowed and repaid \$1,324,557 on a line of credit in the form of a 2.90% revenue anticipation note which matured June 30, 2016. Interest expense related to this note was \$36,202.

Subsequent to year end, the District obtained a line of credit in the form of a 2.75% revenue anticipation note in the amount of \$1,324,557 which matures June 30, 2017. As of the date of this report, the District has borrowed this note in full.

Long-term - The District has no outstanding long-term debt as of June 30, 2016.

In a prior year, the Vermont Municipal Bond Bank (VMBB) refunded the 1998 Series 2 Bond resulting in interest savings to the District of \$43,079. This savings allocation, to be received between FY14 and FY19, has been reflected as a reduction of interest in the debt service requirements table. There is no remaining principal due on this bond.

Debt service requirements to maturity are as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>
2017	\$ -	\$ (10,646)
2018	-	(9,903)
2019	-	(2,576)
	<u>\$ -</u>	<u>\$ (23,125)</u>

BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

8. Capital lease:

The District has entered into a lease agreement as lessee for financing the acquisition of a 2014 John Deere Tractor and related equipment. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, the cost and depreciation of this asset is included with other capital assets of the District. The cost of the asset acquired by the capital lease is the present value of the future lease payments. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2016 are as follows:

Year ending June 30,	
2017	\$ 5,231
2018	5,232
2019	<u>1</u>
Total minimum lease payments	10,464
Less: amount representing interest	<u>(650)</u>
Present value of minimum lease payments	\$ <u>9,814</u>

9. Budgetary basis of accounting:

These financial statements include totals for General Fund revenues and expenditures on the District's budgetary basis of accounting, which vary from the totals of revenues and expenditures recognized on the basis of accounting prescribed by U.S. GAAP, as follows:

	<u>Revenues</u>	<u>Expenditures</u>
U.S. GAAP basis	\$ 14,611,489	\$ 14,731,800
On-behalf payments -		
VSTRS net pension expense	<u>(1,460,966)</u>	<u>(1,460,966)</u>
Budget basis	\$ <u>13,150,523</u>	\$ <u>13,270,834</u>

10. Pension plans:

State Teachers' Retirement System of Vermont -

Plan description: The District participates in the State Teachers' Retirement System of Vermont (the System or the plan), a cost-sharing multiple-employer defined benefit public employee retirement system with a special funding situation in which the State of Vermont contributes to the plan on behalf of the participating districts. The plan was created in 1947, and is governed by Title 16, V.S.A. Chapter 55. It covers nearly all teachers and school administrators in schools supported by the state. The general administration and responsibility for the proper operation of the System is vested in a Board of Trustees consisting of eight members. The System issues annual financial information which is available and may be reviewed at the System's office, 109 State Street, Montpelier, Vermont, 05609-6200, by calling (802) 828-2305 or online at <http://www.vermonttreasurer.gov/retirement/teachers-vstrs>.

BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

10. Pension plans (continued):

State Teachers' Retirement System of Vermont (continued) -

Benefits provided: The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are based on the number of years of creditable service and are determined as a percentage of average final compensation in the three highest consecutive years of service. Eligibility for benefits requires five years of service.

Contributions: Member teachers are required to contribute 5.5% (Group A); or 5.0% (Group C if member has five or more years of service at July 1, 2014); otherwise 6.0% (Group C) of their annual covered salary and the state contributes the balance of an actuarially determined rate. The state is a non-employer contributor to the plan and is required by statute to make all actuarially determined employer contributions on behalf of member employers. The District's teachers contributed \$270,016 and \$277,256 to the System in 2016 and 2015, respectively.

Pension liabilities and pension expense: The District does not contribute directly to the plan; therefore no net pension liability needs to be recorded by the District. However, the District is required to report the District's portion of the following items as calculated by the System:

District's share of -

VSTRS net pension liability	\$ 10,886,108
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VSTRS net pension expense	\$ 1,460,966
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403(b) Non-Teaching Employees Retirement Plan -

Plan description: All employees of the District who are at least twenty-one years old and are not covered under the State Teachers' Retirement System of Vermont are eligible to be covered under a 403(b) pension plan administered through MassMutual. The District contributes at various rates for certain classes of employees. In addition, any employee of the District may voluntarily contribute to this Plan; however, the District will not match these contributions.

All contributions are 100% vested to each employee. At June 30, 2016, there are 34 Plan members from the District.

Funding policy: The District pays all costs accrued each year for the Plan. Total contributions for the year ended June 30, 2016 were \$116,693 by employees and \$28,360 by the District.

11. Contingencies:

The District is involved in various claims and legal actions arising in the normal course of business. The ultimate disposition of these matters is indeterminable, but in the opinion of management, the amount of any ultimate liability, not covered by insurance, would not have a significant impact on the District's financial condition.

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

The Superintendent and Board of Education
Barre City Elementary and Middle School

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Barre City Elementary and Middle School (the District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 5, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Montpelier, Vermont
December 5, 2016

Mudgett, Finnett &
Hughes-Walker, P.C.

December 5, 2016

The Board of Education
Barre City Elementary and Middle School

In connection with audit engagements, we are required by auditing standards generally accepted in the United States of America to communicate certain matters with those charged with governance. The term "those charged with governance" means the persons with responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity, for example the Board of Education (the Board) or a designated Board officer or committee. This communication is provided in connection with our audit of the financial statements of the Barre City Elementary and Middle School (the District) as of and for the year ended June 30, 2016.

These standards require us to communicate with you any matters related to the financial statement audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. They also set the expectation that our communication will be two way, and that the Board or their designee will communicate with us matters you consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing, and extent of audit procedures.

This letter summarizes those matters which we are required by professional standards to communicate to you in your oversight responsibility for the District's financial reporting process.

Auditor's Responsibility under Professional Standards

Our responsibility under auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States was described in our arrangement letter dated May 12, 2016.

An Overview of the Planned Scope and Timing of the Audit

The scope of the audit was also described in our arrangement letter dated May 12, 2016. The audit was conducted in October and November 2016; our exit conference with management was held on November 30, 2016. Draft copies of the financial statements and audit reports were provided to management in December 2016.

Accounting Practices

- **Adoption of, or Change in, Accounting Policies**

Management and the Board have ultimate responsibility for the appropriateness of the accounting policies used by the District. Management has implemented Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, for the year ended June 30, 2016.

- **Significant or Unusual Transactions**

We did not identify any significant or unusual transactions or accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

- **Alternative Treatments Discussed with Management**

We did not discuss with management any alternative treatments within accounting principles generally accepted in the United States of America for accounting policies and practices related to material items during the current audit period.

Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. The significant accounting estimates reflected in the District's 2016 financial statements are depreciation expense and the State of Vermont's estimate of the net pension expense for the State Teachers' Retirement System of Vermont.

Audit Adjustments

During the audit we proposed six adjustments to the original trial balance provided for audit. In addition, management provided two adjustments to correct various accounts identified throughout fieldwork and to record additional accruals identified after year end. A copy of the audit adjustments is available upon request.

Management accepted the proposed adjustments and those changes are reflected in the 2016 financial statements. The significant effects of these adjustments were to (1) adjust capital asset balances and record depreciation expense, (2) adjust accrued compensated absences, (3) correct health insurance payable, (4) adjust capital lease payable, and (5) correct revenue.

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, the significant disclosures to be included in the financial statements, or other matters.

Consultations with Other Accountants

We are not aware of any consultations that management may have had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

We did not have correspondence with management regarding significant issues arising from the audit. We have discussed accounting matters relating to the District's accounting estimates and audit adjustments.

Difficulties Encountered in Performing the Audit

We did not encounter any difficulties during the audit.

Material Weaknesses

We identified no material weaknesses in the District's system internal control.

Certain Written Communications between Management and Our Firm

Management provided written representations in connection with the audit in a letter to our firm dated December 5, 2016. A copy of this letter is available upon your request.

This report is intended solely for the information and use of the Board of Education and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this letter. We appreciate the opportunity to be of service to the District.

Very truly yours,
Mudgett, Jennett & Krogh-Wisner, P.C.

*Mudgett, Jennett &
Krogh-Wisner, P.C.*

1st Reading: 12/15/2016
2nd Reading: 1/19/2017
ADOPTED: 1/19/2017

BCEMS: 1st Reading: 2/13/2017
2nd Reading:
Ratified:

Federal Child Nutrition Act Wellness Policy

Purpose

It is the intent of the Barre Supervisory Union to comply with the local policy requirements of the federal *Child Nutrition and WIC Reauthorization Act of 2004* and *Healthy, Hunger-Free Kids Act of 2010*¹. In accord with those requirements, this policy has been developed in consultation with parents, representatives of the school food services authority, school administrators, school health professionals and the public.

Policy Statement

It is the policy of the Barre Supervisory Union to establish goals for nutrition promotion and education, health education, physical education², and physical activity, and other school-based activities that are designed to promote student wellness. With the objective of promoting student health and reducing childhood obesity, the district will also establish nutrition guidelines for all foods available at school during the school day.

I. Goals for Nutrition Promotion and Education.

- A. The supervisory union shall provide nutrition promotion and education programs as required by state law and regulations of the State Board of Education. In particular, the supervisory union shall provide a nutrition component in its Comprehensive Health Education³ program and shall develop curricular programs intended to accomplish applicable goals enumerated in the National Health Education Standards⁴.
- B. To the extent practicable, nutrition promotion and education shall be integrated into core curricula areas, such as science, health, physical education, and family and consumer science courses.
- C. The supervisory union shall establish meal periods that provide adequate time to eat and are scheduled at appropriate hours in a clean, safe, and adequate space.
- D. Food shall not be used in supervisory union schools as a reward or punishment, except when rewards are part of a student's written IEP, 504, or behavioral plan.
- E. The supervisory union shall provide training opportunities as appropriate for food service and other staff members in areas of nutrition and wellness as described in the Vermont Education Quality of Standards.

II. Guidelines for Health Education

- A. The supervisory union shall enable students to engage annually in rigorous, relevant and comprehensive learning opportunities that allow them to demonstrate proficiency in health education as defined by Vermont state law 16 V.S.A. 131 (EQS rule 2120.5). In particular, the district shall develop curricular programs intended to accomplish the goals enumerated in the National Health Education Standards for all students in grades K-12.

- B. Health Education shall be integrated into core curricula areas, such as science, physical education, and family and consumer science courses.

III. Goals for Physical Education and Physical Activity.

- A. The supervisory union shall provide physical education and adaptive physical education classes for all students as required by Education Quality Standards and 16 V.S.A 2902.
- B. The supervisory union will provide students with Physical Education, using an age-appropriate, sequential Physical Education program consistent with 2014 SHAPE America National Standards and Grade-Level Outcomes for Physical Education⁵.
- C. The supervisory union shall provide physical activity opportunities to all students as required by Education Quality Standards and 16 V.S.A 2210.5.

IV. Goals for Other School-Based Activities.

- A. The supervisory union shall use evidence-based strategies to determine goals for promoting student wellness.
- B. The supervisory union shall promote health and wellness by encouraging staff to model healthy eating/drinking behaviors at school, by displaying USDA promotional materials, such as informational posters on school property, by marketing health and wellness on signs, score boards, sports equipment, in curricula, educational materials, both printed and electronic, and through its website. No foods of minimal nutritional value will be advertised on school grounds.

V. Nutrition Guidelines.

- A. Following state law 16 V.S.A. section 1264, the supervisory union shall offer National School Lunch and School Breakfast Programs that meet 7 CRF 210 and 7 CRF 220 and the Healthy, Hunger-Free Kids Act of 2010.
- B. The supervisory union shall ensure that guidelines for reimbursable school meals are not less restrictive than regulations and guidance issued by the Secretary of Agriculture pursuant to sections (a) and (b) of section 9A(a) and (b) of the Richard B. Russell National School Lunch Act as those regulations and guidance apply to schools.
- C. The supervisory union shall ensure that foods and beverages offered at school during the school day other than through the National School Lunch or School Breakfast programs, including foods sold through vending machines and foods sold for fundraising during the school day, shall comply with the USDA Smart Snacks Standards⁶.

VI. Policy Implementation.

- A. The superintendent or his or her designee shall periodically monitor supervisory union programs and curriculum to ensure compliance with this policy and any administrative procedures established to carry out the requirements of this policy. The supervisory union shall periodically inform and update the public about the content and implementation of this policy, including the extent to which supervisory union schools are in compliance with this policy, the extent to which this policy compares to model local school wellness policies and a description of the progress made in attaining the goals of this policy.

- B. The supervisory union shall permit parents, students, representatives of the school food authority, teachers of physical education, school health professionals, the school board, school administrators and the general public to participate in the development, implementation and periodic review and update of this policy.
- C. The superintendent or his or her designee shall establish ongoing supervisory union health and wellness committee(s) following the Vermont Agency of Education and Vermont Department of Health recommendation evidence-based collaboration approach to learning and health. Information on how to join the committee(s) is available on the supervisory union websites.
- D. The supervisory union health and wellness committee(s) assist the superintendent or his or her designee, at least triennially, in the assessment and/or revision of the wellness policy using best -practice assessment tools, in auditing supervisory union-wide compliance, and in reviewing evidence of student health and learning impact.

The superintendent or his or her designee shall report yearly to the board and to the public on the supervisory union's compliance with law and policies related to student wellness. The report shall include information as to the content and implementation of this policy, and an assurance that supervisory union guidelines for reimbursable meals are not less restrictive than regulations and guidelines issued for schools in accordance with federal law.

Date Warned:

Date Adopted:

Date Revised:

Legal

16 V.S.A. §§131 & 906(b)(3).

Reference(s):

Richard B. Russell National School Lunch Act, 42 U.S.C. 1751 et seq.
Child Nutrition Act of 1966, 42 U.S.C. 1771 et seq.

Healthy, Hunger Free Kids Act of 2010, Section 204 of Public Law 111-296.

Code of Federal Regulations, 7 CFR Part 210 and Part 220.

Additional References

¹ *Healthy, Hunger-Free Kids Act of 2010* replaced the *Child Nutrition and WIC Reauthorization Act of 2004 for the Federal Lunch Program* and added additional requirements for Local Wellness Policies.

² Vermont Department of Health; Agency of Agriculture, Food and Markets; & Agency of Education (2016). *Vermont School Wellness Policy Guidelines*.

³ 16 V.S.A. § 135

⁴ 16 V.S.A. Section 2902 – Mention of Adapted PE, though not specifically required in the LEA Wellness Policy, fits in this statement to encompass all students.

⁵ 2014 SHAPE America National Standards and Grade-Level Outcomes for Physical Education

⁶ United States Department of Agriculture, Food and Nutrition Services

**BARRE SUPERVISORY UNION #61
POLICY**

CODE: G14

1ST READING: 12/15/2016
2ND READING: 1/19/2017
ADOPTED: 1/19/2017

BCEMS: 1st Reading: 2/13/2017
2nd Reading:
Ratified:

CLASS SIZE POLICY

Policy

It is the intent of the board to comply with Sections 15 and 16 of Act 153 of 2010 requiring superintendents to work with school boards to develop policy guidelines for minimum and optimal average class sizes in regular and technical education classes. Class size guidelines will be used to inform annual decisions related to staffing and program offerings.

Implementation

1. The superintendent or his or her designee shall, in consultation with the principal/director, develop district wide class minimum, maximum, and optimum average class size guidelines that take into account the instructional needs of required and elective courses at the secondary level.
2. Class size guidelines in the district may vary as necessary to reflect differences, such as school size and programmatic needs.
3. The guidelines shall also ensure compliance with state or federal requirements related to matters such as student-teacher ratios, special education, technical education, and English Language Learners.
4. The superintendent shall report to the board by April 1 each year on the implementation of this policy, and shall include in his or her report information related to the use of the guidelines in determining actual class sizes and program offerings in the schools within the district.

Guidelines

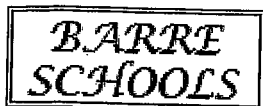
Administrators will use the following guidelines when reviewing course enrollments and making decisions about course offerings and scheduling, recognizing that such guidelines must be flexible and incorporate additional factors in making decisions about class sizes which, among others, include the unique needs of class or grade-level populations of students, curricular structure, physical plant, and staff training:

I. Grades PreK-8

<u>Grade</u>	<u>Minimum</u>	<u>Ideal</u>	<u>Maximum</u>
PreK	12	15	17
Kindergarten	15	16	18
1 st	15	18	20
2 nd	15	18	20
3 rd	15	18	20
4 th	15	20	22
5 th	15	20	22
6 th	15	20	22
7 th	15	23	25
8 th	15	23	25

II. Grades 9-12:

1. The recommended class size for most courses is 15 to 20 students.
2. The recommended minimum class size for most courses is 10 and the maximum is 25.
3. When requested by the administration, classes above or below the recommended acceptable limits may be approved by the superintendent and reported to the board.
4. The Central Vermont Career Center program size will be consistent with the Vermont Department of Education – State Board of Education Manual of Rules and Practices, Vocational-Technical Education.
5. Program size for the Central Vermont Career Center shall be reviewed annually by the Center's Director. Recommendations to change program offerings shall be made by the Director to the SHS Union #41 District and the Regional Advisory Board if a program, for three or more consecutive years, has shown low enrollment based on State of Vermont Technical Education Regulation.



John Pandolfo <jpandbsu@u61.net>

school board candidates

1 message

Carol Dawes <cdawes@barrecity.org>

Mon, Jan 30, 2017 at 3:31 PM

To: "Deb Gibson (dgibbsu@u61.net)" <dgibbsu@u61.net>, "John Pandolfo (jpandbsu@u61.net)" <jpandbsu@u61.net>

Howdy,

I know there's still 90 minutes for people to turn in petitions, but as of right now you have 1 candidate for each seat:
 2017 CITY SCHOOL DISTRICT MEETING

CITY SCHOOL COMMISSIONER - THREE YEARS (vote for not more than 1)

* JOSEPH BLAKELY

CITY SCHOOL COMMISSIONER - TWO YEARS (vote for not more than 1)

* SONYA SPAULDING

CITY SCHOOL COMMISSIONER - ONE YEAR (vote for not more than 3)

* JENNIFER CHIOLDI
MICHAEL B DEERING
SARAH PREGENT

2017 UNION HIGH SCHOOL DISTRICT MEETING

SPAULDING UNION HIGH SCHOOL DISTRICT DIRECTOR - THREE YEARS (vote for not more than 1)
* JOSEPH BLAKELYSPAULDING UNION HIGH SCHOOL DISTRICT DIRECTOR - ONE YEAR (vote for not more than 1)
* TIM BOLTIN

Carolyn S. Dawes CVC CVT
 Barre City Clerk/Treasurer
 6 N. Main Street, Suite 6
 PO Box 418
 Barre, VT 05641
 cdawes@barrecity.org<mailto:cdawes@barrecity.org>
 (802) 476-0242
 www.barrecity.org<http://www.barrecity.org>

 winmail.dat
 20K

OFFICIAL BALLOT
BARRE TOWN SCHOOL DISTRICT SPECIAL MEETING
JANUARY 31, 2017

INSTRUCTIONS TO VOTERS

- Use BLACK PEN or PENCIL to fill in the oval.
- To vote for a person whose name is printed on the ballot, fill in the oval ☐ to the right of the name of that person.
- To vote for a person whose name is not printed on the ballot, write or stick his or her name in the blank space provided and fill in the oval ☐ to the right of the write-in line.
- Do not vote for more candidates than the "VOTE for NOT MORE THAN #" for an office.
- If you make a mistake, tear, or deface the ballot, return it to an election official and obtain another ballot. DO NOT ERASE.

SPECIAL BARRE TOWN SCHOOL
DISTRICT MEETING

ARTICLE I

Shall the Barre Town School District, which the State Board of Education has found necessary to include in the proposed union school district, join with the Barre City School District, which the State Board of Education has found necessary to include in the proposed union school district, for the purpose of forming a union school district to be named the Barre Unified Union School District, as provided in Title 16, Vermont Statutes Annotated, upon the following conditions and agreements:

- Grades. The Barre Unified Union School District shall operate and manage schools offering instruction in grades Pre-Kindergarten through Grade 12.
- Board of School Directors. A member town's representation on the School Board of the Barre School District will be closely proportional to the fraction that its population bears to the aggregate population of the Unified District. Initial fixed composition is based upon the most recent Federal Census (2010), and shall be recalculated promptly following the release of each subsequent decennial census. However, at no time will a member town have less than one school director on the District Board. Subject to the previous sentence, each proportionality calculation shall be rounded to the nearest whole number.

- Assumption of debts and ownership of school property. The Barre Unified Union School District shall assume the indebtedness of member districts, acquire the school properties of member districts, and pay for them, all as specified in the final report.
- Final Report. The provisions of the final report proposed to the State Board of Education for approval on the 18th day of October, 2016, which is on file in the town clerk's office, shall govern the Barre Unified Union School District. Upon approval of the Barre Unified Union School District, Article 1 of the final report, including all subsections, can only be changed by a majority vote of the Barre Unified Union School District. Articles 2 through 15 of the final report can be changed by a majority vote of the School Board of the Barre Unified Union School District.

1482	YES	<input type="radio"/>
1159	NO	<input type="radio"/>

Defective
ballots 59

Total
Checklist = 5894

Total
Voted = 1641

Early
Voters = 795

% of Voter
Turnout
27.84 %

YOU HAVE NOW
COMPLETED VOTING

63

Barre SU Teacher and Para Negotiations

Wage and Insurance Proposals

February 8, 2017

TEACHER BARGAINING IS AT IMPASSE	
ASSOCIATION PROPOSAL	
WAGES	INSURANCE
5% new money for FY18	Board Pays the following for any tier: <ul style="list-style-type: none">• Platinum: 70% Premium; 90% OOPM to HRA• Gold: 75% Premium; 80% OOPM to HRA• Gold CDHP: 90% Premium; 100% OOPM to HRA• Silver CDHP: 95% Premium; 65% OOPM to HRA
5% new money for FY19	Additional Cost to Board would be between \$200,000 and \$600,000
5% new money for FY20	Savings to Association would be estimated at ~\$300,000
5% new money for FY21	
BOARD PROPOSAL	
WAGES	INSURANCE
1.2% new money for FY18	Board will contribute toward the premium of any plan (for full-time employees, pro-rated for part time): <ul style="list-style-type: none">• \$13,920 for a Family Tier (~80%)• \$9,480 for a Two Person Tier (~80%)• \$7,800 for a Parent/Child(ren) Tier (~80%)• \$5,040 for a Single Tier (~80%) Board will fund an HRA for each employee enrolling in either the Gold CDHP or Silver CDHP Plan: <ul style="list-style-type: none">• \$1000 if in a Single Tier (40% of OOPM)• \$2000 if in any other Tier (40% of OOPM)

PARA-EDUCATOR BARGAINING	
ASSOCIATION PROPOSAL	
WAGES	INSURANCE
FY18 – \$0.75/hr increase; 5.10% new money	Board Pays the following for any tier: <ul style="list-style-type: none">• Platinum: 70% Premium; 90% OOPM to HRA• Gold: 75% Premium; 80% OOPM to HRA• Gold CDHP: 90% Premium; 100% OOPM to HRA• Silver CDHP: 95% Premium; 65% OOPM to HRA
FY19 – \$0.60/hr increase; 3.88% new money	Additional Cost to Board would be between \$13,000 savings and \$900,000 additional cost, depending on utilization
FY20 – \$0.55/hr increase; 3.43% new money	Savings to Association would be between \$17,000 and \$600,000, depending on utilization
BOARD PROPOSAL	
WAGES	INSURANCE
FY18 – \$0.35/hr increase; 2.38% new money	Board will contribute toward the premium of any plan: <ul style="list-style-type: none">• \$5,700 for any Tier (~90% of a Single Plan) Board will fund an HRA for each employee enrolling in either the Gold CDHP or Silver CDHP Plan: <ul style="list-style-type: none">• \$1000 if in a Single Tier (40% of OOPM)• \$2000 if in any other Tier (40% of OOPM)

**BARRE SUPERVISORY UNION #61
POLICY**

CODE: F1

1ST READING: 11/17/2016
2ND READING: 12/15/2016
ADOPTED: 12/15/2016

BCEMS 1st Reading: 1/9/2017
2nd Reading: 2/13/2017
Ratified:

STUDENT CONDUCT AND DISCIPLINE¹

Policy

It is the policy of the Barre Supervisory Union to maintain a safe, orderly, civil and positive learning environment via a system of classroom and school management practices, supported by consistent, clear and fair disciplinary procedures. The goal of this policy is to create an environment where the rules for student behavior are clearly stated, are understood and accepted by students and staff, and are applied in compliance with due process requirements. This policy is to be applied in conjunction with the school's overall discipline plan developed pursuant to 16 V.S.A. § 1161a.

Definitions

- 1) **Weapon** means a device, instrument, material or substance whether animate or inanimate, which, when used as it is intended to be used, is known to be capable of producing death or serious bodily injury.²
- 2) **School** means any setting which is under the control and supervision of the School District. It includes school grounds, facilities, and school-sponsored events whether held

¹ There is no clear legal requirement for a school board policy on discipline. However, 16 V.S.A. § 1162(a) authorizes school superintendents or principals to suspend pupils for up to 10 school days "...pursuant to policies adopted by the school board..." 16 V.S.A. § 1161a requires that all schools "...adopt and implement a comprehensive plan for responding to student misbehavior..." The State Board of Education Manual of Rules and Practices includes a school quality standard that refers to a "safe and orderly school environment," and refers to the required discipline plan, but does not require a policy. The Vermont Department of Education has posted guidelines for discipline plan development and several other resources on student discipline issues on its website at http://www.state.vt.us/educ/new/html/pgm_safeschools/pubs.html#resources.

² See 13 V.S.A. §4016(a)(2) for definition of "dangerous or deadly weapon."

on or off of school grounds and vehicles used to transport students to and from school or school activities.³

- 3) ***Expelled*** means the termination of educational services for the remainder of the school year or up to 90 school days, whichever is longer.⁴
- 4) ***Knife*** means any instrument that is capable of ready use as a stabbing weapon that may inflict bodily injury or death.

Student Responsibilities

It is the responsibility of each student to contribute to a safe and productive learning environment in the school by demonstrating respect and consideration for fellow students and adults. This includes complying with all policies and rules of conduct of the school district and individual classrooms.

Administrative Responsibilities

The principal, in consultation with the educational staff, will develop an overall discipline plan pursuant to 16 V.S.A. §1161a.

The plan will include clear guidelines for student behavior. The guidelines may include provisions for the suspension or expulsion of students who engage in misconduct on school property, on a school bus, or at a school sponsored activity when the misconduct makes the continued presence of the student harmful to the welfare of the school. The guidelines may also include provisions for the suspension or expulsion of students who engage in misconduct not on school property, on a school bus, or at a school sponsored activity where direct harm to the school can be demonstrated or where the misconduct can be shown to pose a clear and substantial interference with another student's equal access to educational programs.⁵

The guidelines for student behavior will also include prohibitions against the possession by students of knives, weapons and dangerous instruments while at school, and shall allow disciplinary action up to and including expulsion for violations of the prohibition against knives, weapons and dangerous instruments that are not possessed at school as part of an educational program sponsored or sanctioned by the school.⁶

³ The Federal Gun Free Schools Act defines "school" as "...any setting that is under the control and supervision of the local education agency for the purpose of student activities approved and authorized by the local education agency. 20 U.S.C. § 7151(b)(f).

⁴ 16 V.S.A. §1162(a).

⁵ See 16 V.S.A. § 1162(a)(3)

⁶ The "knives, weapons and dangerous instruments" prohibition in this model policy is not required by law. The possession of "dangerous and deadly weapons" on school grounds by any individual is

Behavioral expectations, and the consequences of misconduct, will be stated in the student handbook and other publications distributed to students and parents/guardians.

Legal

Reference(s):

16 V.S.A. §1161a (discipline)

16 V.S.A. §1162 (suspension and expulsion)

20 U.S.C. §§1400 et seq. (IDEA)

29 U.S.C. §794 (Section 504, Rehabilitation Act of 1973)

*VT State Board of Education Manual of Rules & Practices §4311, 4312, 4313;
2120.8.12*

Cross

Reference:

Board Commitment to Non-Discrimination

Public Complaints About Personnel

Interrogations or Searches of Students by Law Enforcement)

Officers or Other Non-School Personnel

Search and Seizure

Alcohol and Drug Abuse

Weapons

prohibited by 13 V.S.A. §4004. This prohibition does not apply to the possession of firearms in schools for "instructional or other specific purposes." 13 V.S.A. §4004(c)(2).

**BARRE SUPERVISORY UNION #61
POLICY**

CODE: F7

1ST READING: 11/17/2016
2ND READING: 12/15/2016
ADOPTED: 12/15/2016

BCEMS 1st Reading: 1/9/2017
2nd Reading: 2/13/2017
Ratified:

STUDENT ALCOHOL AND DRUGSⁱ

It is the policy of the Barre Supervisory Union that no student shall knowingly possess, use, sell, give or otherwise transmit, or be under the influence of any illegal drug, regulated substance, or alcohol on any school property, or at any school sponsored activity away from or within the school.ⁱⁱ It is further the policy of the district to make appropriate referrals in cases of substance abuse.

Definitions

Substance Abuse is the ingestion of drugs and or alcohol in such a way that it interferes with a person's ability to perform physically, intellectually, emotionally, or socially.ⁱⁱⁱ

Drug means any narcotic drug, hallucinogenic drug, amphetamine, barbiturate, marijuana or any other controlled substance as defined by state or federal regulation or statute.^{iv}

Educational Program. The superintendent shall work with appropriate staff members to develop and conduct an alcohol and drug abuse educational program.^v The program shall be consistent with the Vermont Alcohol and Drug Education Curriculum Plan^{vi}. If the school district is a recipient of federal Safe and Drug-Free Schools and Communities Act funds, the Act will be considered in the development of the alcohol and drug abuse educational program.^{vii}

Support and Referral System. In each school the principal or his or her designee shall develop a support and referral system for screening students who refer themselves and students who are referred by staff for suspected drug and/or alcohol use and/or abuse problems.^{viii} The support and referral system will include processes to determine the need for further screening, education, counseling or referral for treatment in each referred case.^{ix} In addition, the principal shall establish procedures for administering emergency first aid related to alcohol and drug abuse.^x

Cooperative Agreements.^{xi} The superintendent shall annually designate an individual to be responsible for providing information to students and parents or guardians about outside agencies that provide substance abuse prevention services and to encourage the use of their services and programs when appropriate.

The Barre Supervisory Union has entered into cooperative agreements with both the Washington County Youth Service Bureau and Central Vermont Substance Abuse Services. These

organizations will provide substance abuse treatment to students who are referred through the school's support and referral system, or who refer themselves for treatment.

Staff Training. The superintendent will work with appropriate staff to provide training for teachers and health and guidance personnel who teach or provide other services in the school's alcohol and drug abuse prevention education program. The training provided will meet the requirements of State Board Rules related to staff training.^{xii}

Community Involvement. The superintendent will work with school staff and community members to implement a program to inform the community about substance abuse issues in accord with State Board of Education rules.^{xiii}

Annual Report. In a standard format provided by the Agency of Education, the superintendent will submit an annual report to the Secretary of Education describing substance abuse education programs and their effectiveness.^{xiv}

Notification. The superintendent shall ensure that parents and students are given copies of the standards of conduct and disciplinary sanctions contained in the procedures related to this policy, and are notified that compliance with the standards of conduct is mandatory. Notice to students will, at a minimum, be provided through inclusion of these standards and sanctions in the student handbook distributed to all students at the beginning of each school year or when a student enrolls in the school.^{xv}

ⁱ This policy is required by 16 V.S.A. 1165(c) and SBE Rule 4212. Unless otherwise noted in the following notes, the State Board rule requires that the policy include the elements contained in this model.

ⁱⁱ 16 V.S.A. § 1165(a). See also 18 V.S.A. § 4237 making it unlawful for any person to sell or dispense any regulated drug to minors or to any other person on school property or property adjacent to a school.

ⁱⁱⁱ Vermont State Board of Education Manual of Rules and Practices, Rule 4211

^{iv} See definitions of narcotic drugs and hallucinogenic drugs in 18 V.S.A. §4201; and controlled substance in 41 U.S.C. §706(3) and 21 U.S.C. §812.

^v 16 V.S.A. §131(9); SBE Rule 4213.1

^{vi} SBE Rule 4212.2 requiring that education program be consistent with this Plan.

^{vii} 20 U.S.C. §§7101 et seq.

^{viii} SBE Rule 4212.3

^{ix} SBE Rule 4212.3D.

^x SBE Rule 4212.3B. SBE Rule 4212.3B requires that each "...school district policy...establish procedures for administering first aid related to alcohol and drug abuse. The procedures will define the roles of the personnel involved."

^{xi} SBE Rule 4212.3.

^{xii} SBE Rule 4213.2. See also SBE Rule 4212.3C.

^{xiii} SBE Rule 4214 does not require that this paragraph be included in a school board policy. The rule does require that schools engage in community programs "...to inform the community about the school's alcohol and drug prevention education program, alcohol and drug abuse prevention issues, and community-wide responsibility for effective alcohol and drug abuse prevention." This paragraph could be included in administrative procedures developed in conjunction with this policy.

^{xiv} SBE Rule 4215 does not require that this paragraph be included in a school board policy. The rule does require that the school's annual report include information on substance abuse education programs. This paragraph could be included in administrative procedures developed in conjunction with this policy.

^{xv} This section is not required by law , but could be included in a school board policy to ensure that adequate notice of the school district's policy and procedures related to alcohol and drug abuse is given to students and parents.

Legal Reference(s): 20 U.S.C. §§7101 et seq. (Safe & Drug-Free Schools & Communities Act of 1994)

16 V.S.A. §909 (Drug & Alcohol Abuse Prevention Education Curriculum)

16 V.S.A. 131(9) (Comprehensive Health Education)

16 V.S.A. §1045(b)(Driver Training Course)

16 V.S.A. §1165 (Alcohol and drug abuse)

18 V.S.A. §4226 (Drugs: minors, treatment, consent)

Vt. State Board of Education Manual of Rules and Practices §§4200 -4215)

Cross Reference: Student Conduct and Discipline (F1)

Search and Seizure (F3)

Interrogations or Searches of Students by Law Enforcement)

Officers or Other Non-School Personnel (F5)

**BARRE SUPERVISORY UNION #61
POLICY**

CODE: F21

BCEMS 1st Reading: 1/9/2017
2nd Reading: 2/13/2017
Ratified:

1ST READING: 11/17/2016
2ND READING: 12/15/2016
ADOPTED: 12/15/2016

FIREARMS

Policy

It is the policy of the Barre Supervisory Union to comply with the federal Gun Free Schools Act of 1994 and state law requiring school districts to provide for the possible expulsion of students who bring firearms to or possess firearms at school. It is further the intent of the board to maintain a student discipline system consistent with the requirements of the federal Individuals with Disabilities Education Act, Section 504 of the Rehabilitation Act and the Vermont State Board of Education rules.

Definitions

For the purposes of this policy, the terms "firearm" "school" and "expelled" shall be defined consistent with the definitions required by state and federal law.

Sanctions

Any student who brings a firearm to school, or who possesses a firearm at school shall be brought by the superintendent to the school board for an expulsion hearing.

A student found by the school board after a hearing to have brought a firearm to school shall be expelled for at least one calendar year. However, the school board may modify the expulsion on a case-by-case basis when it finds circumstances such as, but not limited to:

1. The student was unaware that he or she had brought a firearm to school.
2. The student did not intend to use the firearm to threaten or endanger others.
3. The student is disabled and the misconduct is related to the disability.
4. The student does not present an ongoing threat to others and a lengthy expulsion would not serve the best interests of the pupil.

At the discretion of the school board and administration, an expelled student may be afforded limited educational services at a site other than the school during the period of expulsion under this policy.

Policy Implementation

An expulsion hearing conducted under this policy shall afford due process as required by law and as developed by the superintendent or his or her designee.

The superintendent shall refer to appropriate law enforcement agency any student who brings a firearm to a school under the control and supervision of the school district. The superintendent may also report any incident subject to this policy to the Department of Social and Rehabilitative Services.

The superintendent shall annually provide the Commissioner of Education with descriptions of the circumstances surrounding expulsions imposed under this policy, the number of students expelled and the type of firearms involved.

Legal

Reference(s):

16 V.S.A. §1166 (State law pursuant to Federal law)

13 V.S.A. §§4004, 4016 (Criminal offenses)

20 U.S.C. §7151 (Gun Free Schools Act)

18 U.S.C. §921 (Gun Free School Zones Act of 1990)

20 U.S.C. §§1400 et seq. (IDEA)

29 U.S.C. §794 (Section 504, Rehabilitation Act of 1973)

Vt. State Board of Education Manual of Rules & Practices, §§4311, 4312

Cross Reference: Search and Seizure

Student Conduct and Discipline

**BARRE SUPERVISORY UNION #61
POLICY**

CODE: F25

1ST READING: 11/17/2016
2ND READING: 12/15/2016
ADOPTED: 12/15/2016

BCEMS 1st Reading: 1/9/2017
2nd Reading: 2/13/2017
Ratified:

STUDENT ATTENDANCE

Policy

It is the policy of the Barre Supervisory Union to set high expectations for consistent student school attendance in accordance with Vermont law in order to facilitate and enhance student learning. Legal pupils between the ages of 6 and 16 and who are residents of the school district and non-resident pupils who enroll in school district schools are required to attend school for the full number of days that school is held unless they are excused from attendance as provided in state law. Students who are over the age of 16 are required to attend school continually for the full number of the school days for which they are enrolled, unless they are mentally or physically unable to continue, or are excused by the superintendent in writing.

Annually, the superintendent shall ensure that the school board appoints one or more individuals to serve as the truant officer, and shall ensure that appointment is recorded with the clerk of the school district.

The superintendent shall develop administrative rules and procedures to ensure the implementation of this policy.

Administrative Rules and Procedures

The procedures will address the following issues and may include others as well:

- A. written excuses;
- B. tardiness;
- C. notification of parents/guardian;
- D. signing out of school;
- E. excessive absenteeism;
- F. homebound and hospitalized students;
- G. early dismissals;
- H. homework assignments;
- I. making up work

Administrative Responsibilities

1. The principal is responsible for maintaining accurate and up-to-date records of student attendance.

2. The principal is responsible for assuring that the school has the appropriate family information that allows the school to contact the parent(s) or guardian(s) of all students whenever necessary.

Legal *16 V.S.A. §§1121 et seq. (Attendance required)*

Reference(s): *16 V.S.A. § 1125 (Truant officers)*

VT State Board of Education Manual of Rules & Practices: §2120.8.3.3

Cross
Reference: *Admission of Resident Students*

Admission of Non-Resident Tuition Students

7.1

BARRE SUPERVISORY UNION DISTRICT #61

Barre City Elementary
and Middle School

John Pandolfo
Superintendent of Schools

120 Ayers St.
Barre, VT 05641
802-476-5011
FAX: 802-476-4944

Spaulding High School and
Barre Technical Center Campus

Barre Town Middle
and Elementary School

Doing whatever it takes to ensure success for every child.

Rich McCraw, M. Ed.
Director of Curriculum, Instruction,
& Assessment
Lisa Perreault
Business Manager
Donald Mc Mahon
Special Services Director
Diane Stacy
Technology Director
Sandra Cameron M.Ed, MCF
Director of Early Education
Jamie Evans
Director of Facilities

February 6, 2017

TO: The Members of the Barre City School Board
RE: Superintendent's Report

Please accept the following report to the Barre City School Board:

(1) Wood Chip Boiler

- The new AFS Wood Chip Boiler is now up and running smoothly. The first time the boiler was ramped down to empty ash cans and ramped back up the settings were not fine tuned, resulting in a few disturbances. This issue has since been corrected.

(2) Act 46

- The Barre Town results from Tuesday, January 31 were included in the board packet. Leading up to the vote, there was active dialogue among the community through FaceBook, Front Porch Forum, flyers and postcard mailers, and word of mouth. Certainly the community engaged in the discussion.
- I was asked to attend an informational session with members of the Senate Education Committee at U-32 on Friday, January 20 along with members of the Act 46 Committee. Guliano Checchinelli and Ed Rousse joined me. We provided a summary of Act 46 in our supervisory union and answered questions about the successes and challenges.
- I was also requested to testify to the House Education Committee on Act 46 on Thursday, January 26. Guliano Checchinelli also accompanied me on that date. My testimony is available at: <http://legislature.vermont.gov/assets/Documents/2018/WorkGroups/House%20Education/Act%2046/W~John%20Pandolfo~Act%2046%20testimony~1-26-2017.pdf>
- The BSU Board will discuss Act 46 on Thursday, February 16 to begin thinking about any next steps.
- The Barre SU website homepage has a link to an Act 46 page with details from each meeting as well as general resources related to Act 46 (<http://bsuvt.org/joomla/index.php/act-46>)

(3) Act 166

- I was requested to testify to the House Education Committee on Act 46 on Friday, January 13 and again on Thursday, February 2. Sandra Cameron joined me both times. The House Education Committee now has a draft bill to revise Act 166 based on testimony received. My testimony is available at:
 - <http://legislature.vermont.gov/committee/document/2018/10/Date/1-13-2017>
 - <http://legislature.vermont.gov/assets/Documents/2018/WorkGroups/House%20Education/Committee%20bill%20-%20Prekindergarten/W~John%20Pandolfo~Act%20166%20Testimony~2-2-2017.pdf>

(4) Negotiations

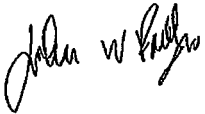
- Paraeducator negotiations last met on January 26, and meets again on February 6.
- Teacher negotiations last met on January 17 and meets again on February 7.
- We are still planning to schedule custodial negotiations to begin in February.

- Minutes, agendas, and documents from meetings are posted on the BSU website at: <http://bsuvt.org/joomla/index.php/about-the-bsu/meetmins/2-uncategorised/42-bsunegotiations>

(5) Legislative Breakfast

- The legislative breakfast took place on Monday, January 30, 2017 from 7:30 – 9:00 a.m. at the SHS Lunchbox. All seven members of our legislative delegation were present to hear our thoughts and concerns.
- I truly believe our legislators heard our concerns, and that the time we spent meeting with our delegation resulted in positive outcomes in the legislature, including the vote by the House to NOT change the school budget vote dates this spring.

Respectfully Submitted,



John Pandolfo
Superintendent of Schools

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**BARRE CITY ELEMENTARY AND MIDDLE SCHOOL
PRINCIPALS' REPORT TO THE BOARD
FEBRUARY, 2017**

On February 3rd our staff participated in a dynamic staff development day, attending sessions on Growth Mindset and Elementary Designs. Both sessions offered National presenters and were engaging and offered immediately applicable strategies for learning.

On February 1st our Penguin Plunge Middle School team jumped into the icy waters of Lake Champlain. 15 students raised over \$4,300 for Special Olympics Vermont of which the BCEMS Unified Sports Program will receive approximately \$500. Our students conducted themselves with honor and respect, and we are very proud of their efforts.

Middle School Students continue to be highly engaged in 21st Century learning opportunities through our explore block time. Of special interest this quarter is the 7 / 8 th grade class that is focused on studying the history of and creating a model of the Barre Railroad system. Feedback from teachers and students is that our offerings are engaging learning opportunities and are a great way to build 21st century skills.

Earlier this month, students in grade 4 spent time studying the life patterns of owls, an experience that culminated with a visit from the Vermont Institute of Natural Science. The presenter arrived with both a Barn Owl and a Barred Owl. It was very impressive how much the children had learned about owls and how engaged they were with the presenter and the live animals!

On February 7, two presenter from the Vermont Energy Education Program spent the day working with our 4th grade children learning about the production of electricity and the advantages of LED vs incandescent lighting. It was a wonderful learning experience to watch, highlighted by children riding on a stationary bike attached to a small generator that lit up both LED and incandescent lights. Using a special laser heat sensor, the children were able to compare the temperature of the two different kinds of light bulbs as well as measure the amount of energy required to light each of them.

On February 22 and on February 24, all of our 4th and 8th grade children will be participating in the National Assessment of Educational Progress. This test is being given to 75% of the children on tablets, with the remaining 25% using paper and pencil. It is proctored by NAEP hired monitors who arrive specifically for the purpose of administering this test. We do not get school or student results on this 90-120 minute test. Rather the results are used to measure and compare state-wide performance levels.

We continue to collaborate with the Northeastern Family Institute to help support children dealing with developmental trauma. Throughout the year, a small, school - based, trauma informed team meets with a NFI consultant, Pete Cudney, to receive further training and to conduct case studies.

Twice during the school year our grade level teams meet with Pete to conduct a case study of one of their students who is dealing with the effects of early trauma in his or her life. We are finding that this work has helped all of us approach behavioral and emotional concerns in a much more informed and constructive way, resulting in responses on our part that are more helpful to the child and his/her family.

Our school is working with the American Red Cross to sponsor a blood drive, tentatively scheduled for May 4, Thursday, from 2:30-7:30 p.m. Our Students on the Move will help set up and support this important community event.

Sincerely,

Jackie Ramsay Tolman

James Taffel

**BCEMS School Board
Finance Committee**

**Meeting Minutes
January 26, 2017**

Board Members present: Jim Carrien (Committee Chair), Andy McMichael, and Sonya Spaulding

Administrators and Staff present: Stacy Anderson, Lisa Perreault, James Taffel,

The meeting was called to order by Mr. Carrien at 5:45 pm.

Discussion regarding Governor Scott's proposals was added to the agenda.

There was no public comment.

Upon motion (Spaulding/Carrien) duly adopted, the committee voted unanimously to approve the minutes from the January 3, 2017 meeting as presented.

Mrs. Perreault outlined the projected FY17 revenue and expenditures. A projected deficit of \$17,416.00 was discussed. This included an increase in expenditures by \$21,366 offset by increased revenue of \$3,950. It was noted that this was a conservative projection.

When asked by the Administration whether they should be conservative in spending for the remainder of the year, Mrs. Perrault agreed. Administrators will also meet to confirm that all expenditures are expensed to the correct line of account.

Mrs. Spaulding mentioned that the SU needs to start talking about how the it can utilize efficiencies to save districts money. This was the goal of Act 166 and specific to consolidation of SPED and busing .

Mr. Taffel will post the voter checklist at the school, so parents and guests can determine if they are a registered voter or not. The school will also provide voter registration forms and absentee ballot request forms for individuals. These forms can be left at the school and the administration will deliver to the Clerk's office.

Mrs. Spaulding is checking with former Board members regarding the banner. She and Mr. Carrien will coordinate to put up signs a few days before Town Meeting Day.

The committee expressed it's concern about Governor Scott's proposal to require School Boards to level fund their FY18 budgets, to move school budget voting to May, to add more liabilities to the education fund, and to cut funding for social service funding. All of which would negatively affect our schools and our children's education.

The next regular finance committee meeting is tentatively scheduled for February 23 at 5:30 pm.

No other business.

Upon motion (Spaulding/McMichael) duly adopted, the committee voted unanimously to adjourn at 6:45 pm.

Respectfully submitted,

Jim Carrien, Finance Committee Chair