

# Part V

Norwich School District

## Norwich School District Officers

### School Board

	Term Expires
Carey Callaghan .....	2016
Tom Candon .....	2014
Anne Day .....	2014
Neil Odell .....	2015
Lauren Morando Rhim .....	2014

### Administration

Franklyn G. Bass .....	Superintendent of Schools
John P. Aubin .....	Assistant Superintendent for Business
Joanne Roberts ...	Director of Curriculum, Instruction and Assessment
Rhett Darak .....	Director of Special Education
William S. Hammond .....	Principal, Marion W. Cross School

### Superintendent's Report

The Norwich School District and the Marion Cross School (MCS) continue to move forward in leaps and bounds. The noticeable rise of the Science NECAP scores, which were among the very best in both NH and VT, is only one indication of the strength of our schools and what they mean to our community. Principal Bill Hammond, with the support and encouragement of the Norwich School Board, has opened new vistas, new opportunities for the many and varied students who walk through our doors. Marion Cross, always a proud beacon of the community, has now grown to become a “light house” whose glow can be felt far and wide. So many great things have occurred in this one short year with our new principal, heralding a new era in public school education under the umbrella of “local control.”

Governor Shumlin’s visit this fall during Flight Week underscores the value of how we approach learning at MCS. No longer discrete moments in time under the mantra of mathematics, science or language arts, but a holistic, cross-disciplinary approach takes into account a wide array of class study, activities and events that are outcome-based with implications and import for the school as well as the wider community of Norwich. The faculty and administration are in the midst of a sea change, a watershed moment, where new ideas, new approaches, and new frontiers are continually discussed and debated at the principal’s weekly faculty meetings. Collaboratively based, these weekly discussions drive at the very heart of what we do day in and day out — classroom instruction. Capitalizing on the tenets of the new evaluation system in Dresden, Principal Hammond has taken teacher evaluation to a new level, one so celebrated that he and his team were invited to speak at last spring’s statewide Superintendents conference at Lake Morey.

“Instructional Rounds” now dot the landscape at MCS as Principal Hammond has expanded the walk-through approach to teacher evaluation to include outside expertise from Dartmouth College, the Vermont Secretary of Education’s office, and surrounding administrators from like-minded schools. These instructional rounds not only give credence to the work that Bill and other administrators have done, but more importantly, provide a robust study and review of all the elements involved in monitoring and evaluating the various teaching-learning modalities underway at MCS and provide valuable feedback and direction for

both the teacher and the evaluator. Operating from the premise of a “gains-based” approach aimed at support and intervention, Principal Hammond focuses on how best to provide the wherewithal for teachers to collectively and creatively use new and existing resources to enhance the quality of their teaching, which invariably results in higher student achievement.

We thank you, our community, and appreciate and value the commitment, the energy, and the extraordinary enthusiasm you bring to our school. We are always amazed at the turnouts at MCS regardless of the time of year, the weather (this year’s holiday concert) or the event. It speaks volumes about your care and consideration for our school and for our children, and we can’t thank you enough. We look forward to seeing you all at the many events and activities that are sure to come your way in the coming year!

*Franklyn G. Bass, Ph.D., Superintendent of Schools*

## **Norwich School Board Annual Report**

The 2013-2014 school year has been a year of growth for the Norwich School District and the Marion Cross School. Almost every aspect of the school district experienced some measure of growth this year.

Academically, the school’s science NECAP scores increased by 10 points this school year, despite a change in the structure of the assessment. This accomplishment is especially noteworthy when viewed against the statewide average, which decreased by 4 points. The school also expanded its use of ‘Track My Progress,’ a computer-based assessment tool, for data collection and analysis to help inform instruction. What started last year with only a few teachers at the school utilizing this assessment tool has grown into a school-wide acceptance of this tool to track student understanding and progress.

This year the academic program was enhanced by a week-long focus on the subject of flight dubbed ‘Flight Week.’ Students were immersed in all aspects of flight and flying, from the launching of a hot air balloon right from the Norwich Green, to collaboration with the Montshire Museum of Science for hands-on flight experiments, to the community support from the Post Mills Soaring Club who provided students with an opportunity to see, touch and sit in an actual glider.

Teachers, staff and administration also experienced growth. Educators were recognized by their peers and professional groups for their accomplishments in the field of education. Additionally, our faculty and staff accumulated over 2,000 hours in professional development throughout the school year, helping to hone their craft and make them even better teachers. Under the guidance of Principal Bill Hammond, Marion Cross participated in ‘Instructional Rounds’ where area principals, professors, Dartmouth students, and Vermont Agency of Education personnel convened to observe classes and share evaluation techniques.

Our physical plant experienced growth as well. Due to your generous support in approving a ten-year bond article last year our facilities team was able to complete much-needed repairs to the schools heating and ventilation system over the summer that has resulted in a more comfortable and safer learning environment for the children and staff.

Projects and initiatives that were planted in recent years by the school’s Long Range Plan effort are starting to grow and flourish. Two such programs are the expansion of the Foreign Language program to third grade and the Open House forums held with local real estate agencies to inform them of the strengths and highlights of the Norwich School District.

All of these factors have contributed to a growing enrollment at the school. Where other districts throughout the state are facing declining enrollments, Marion Cross has seen increasing enrollment for the past 3 years.

And finally, we would like to recognize the growth of the school within the community and beyond. This fall, we were pleased to welcome Governor Peter Shumlin to Marion Cross Elementary School. (This was the first time in the history of Marion Cross that a sitting Governor has visited the school.) Governor Shumlin toured the school and then spoke in the multi purpose room, offering praise for the school's accomplishments and academic excellence. In addition, this fall Principal Bill Hammond invited all of Norwich to a community-picnic night on the green. Norwich families and neighbors turned out to enjoy a warm evening together, sharing stories, making new friends, and expanding our sense of community.

We greatly appreciate your continued support of Marion Cross and the Norwich School District. It is your dedication to the school as a community, as parents, as teachers, as taxpayers, that allows our wonderful school to continue to grow and flourish. We thank you.

*Neil Odell, Chair, Norwich School Board*

### **Marion Cross School Principal's Report**

What is the best way to help students learn? The most important ingredient is having strong teachers who care about their students. Throw in a tablespoon of joy and three teaspoons of surprise, and you bake a loaf that leaves students with lasting memories and lasting memory.

This year we have 326 students at the Marion Cross School, up fifteen students from last year. Besides their focus on the core subjects and the arts, students actively apply their learning to new situations: third graders created walk-along gliders during Flight Week, designing planes intended to stay aloft as long as possible; sixth graders developed stop-motion animation videos, narrating their stories in French; all of our students spend time in the Milt Frye Nature Area with LEEEP-coordinator Lindsay Putnam, learning the names of mushrooms (Witches' Butter, tremella mesenterica, was new to me) and how to care for the environment.

In the fall students hosted Governor Shumlin who was curious about our success in science. After being greeted and led by our five-student, unicycling honor guard—and being serenaded by a grand group of students singing “Bells of Norwich”—the governor witnessed the students' work first-hand. Inside the school, two student guides and a retinue of fans showed and explained student-made science videos and inquiry-based science lessons.

What is the best way to help students learn? Keep learning challenging, relevant, and exciting. That's our goal, and we appreciate all the people in this community who contribute.

*Bill Hammond, Principal (649-1703 x. 202)*

# Norwich School District Proposed Revenue Report

NORWICH SCHOOL DISTRICT Proposed Revenue Budget 2014-15 School Year		2012-13 Actual Year End	2013-14 Adopted	2013-14 Anticipated Year End	2014-15 Proposed	\$ Chg	% Chg
<b>GENERAL FUND</b>							
<b>Local Revenue</b>							
1311	Tuition from Patron	\$35,166	\$8,554	\$0	\$0	\$0	n/a
1510	Interest Income	9,000	1,907	4,000	2,000	2,000	(2,000) -50.0%
1910	Rental of District Property	22,000	13,854	18,000	14,000	14,000	(4,000) -22.2%
1980	Refund of Prior Year Exp	1,000	6,425	5,000	6,000	6,000	1,000 20.0%
1990	Miscellaneous Income	1,000	(40)	1,000	500	500	(500) -50.0%
<b>subtotal local sources</b>		\$68,166	\$30,699	\$28,000	\$22,500	\$22,500	(\$5,500) -19.6%
<b>State Revenue</b>							
3109	Homestead Tax Liability	\$10,129,829	\$10,129,829	\$10,381,977	\$10,381,977	\$10,824,891	\$442,914 4.3%
3110	From State Ed Fund	0	0	0	0	0	0 n/a
3112	Non Residential Tax Liability	0	0	0	0	0	0 n/a
3114	Vocational Center Grant	9,259	9,259	13,454	13,454	13,794	340 2.5%
3150	Transportation Grant	114,487	103,593	111,587	114,487	112,474	887 0.8%
3201	Special Education Block Grant	254,583	254,583	257,935	257,935	266,264	8,329 3.2%
3202	Special Ed Exp Reimb	394,327	535,059	411,545	411,545	447,689	36,144 8.8%
3203	Extraordinary Reimb	92,700	182,415	216,856	216,856	140,400	(76,456) -35.3%
3204	Early Essential Education Grant	39,103	39,103	44,062	44,062	48,248	4,186 9.5%
4110	State Fiscal Stabilization Funds	0	0	0	0	0	0 n/a
4xxx	Federal Educ Job Funds Grant	0	0	0	0	0	0 n/a
5230	Transfr from Vt Const Aid Fund	270,456	270,456	245,309	245,309	245,391	82 0.0%
5230	Transfr from Spec Ed Rsv Fund	0	0	0	0	0	0 n/a
5230	Transfr from Bldg Maint Rsv Fund	0	0	0	0	0	0 n/a
5400	Prior Yr Adjust	0	0	0	0	0	0 n/a
5720	VSBIT Refund	0	0	0	0	0	0 n/a
<b>subtotal state sources</b>		\$11,304,744	\$11,524,297	\$11,682,725	\$11,685,625	\$12,099,151	\$416,426 3.6%
<b>GENERAL FUND TOTAL</b>		\$11,372,910	\$11,554,996	\$11,710,725	\$11,708,125	\$12,121,651	\$410,926 3.5%
<b>Summary:</b>							
Appropriation Total					\$12,121,651		
from Prior Year Fund Balance					0		
from Other Income					1,296,760	(31,988)	
Total Revenue & From Fund Balance					1,296,760		
From District Assessment					\$10,824,891		
<b>Revenue for Purposes of Calculating "Ed Spending" and Estimated Tax Rate</b>							
Revenue Total					\$1,296,760		
less Vocational Grant					13,794		
Revenue for Purposes of Calculating "Ed Spending" and Estimated Tax Rate					\$1,282,966		

In accordance with VSA Title 16 § 563 an audit of the 2012-13 accounts of the Norwich School District was conducted by Plodzik and Sanderson CPA, of Concord, New Hampshire. A copy of the audit is available for review at the Town Manager's Office, Norwich, Vermont and at the Superintendent's Office, Hanover, New Hampshire.

## Norwich School District Expenditure Budget Report

NORWICH SCHOOL DISTRICT				2013-14	2013-14	2014-15	Bgt Chg	
Func	Obj	Proposed Budget	2012-13	Adopted	Exp'd &	Proposed	increase	%
		2014-15	Budget	Budget	Enc'd	Budget	(decrease)	Chg
<b>REGULAR EDUCATION</b>								
1100	100	Salaries--Teacher	1,495,572	1,479,965	1,486,386	1,482,725	1,508,059	21,673
1100	100	Salaries--Ed Asst	92,058	72,434	65,574	70,466	79,938	14,364
1100	100	Substitutes	20,000	23,291	22,000	6,173	22,000	0
1100	100	Tutors--Remedial & Homet	54,796	81,772	61,075	45,952	50,431	(10,644)
1100	200	Payroll Tax & Benefit	533,113	516,821	538,617	558,454	547,801	9,184
1100	300	Purch Prof'l & Tech Svcs	3,500	1,420	3,500	0	3,500	0
1100	400	Purch Prop Svcs	21,390	19,408	17,400	8,487	19,000	1,600
1100	560	Tuition--GED	0	2,649	0	0	4,000	4,000
1100	568	Tuition--Vocational	15,445	9,259	15,600	15,600	16,000	400
1100	500	Total Purchased Services	6,461,166	6,410,635	15,600	19,600	20,000	4,400
1100	600	Supplies/Textbooks	36,660	32,089	41,525	40,880	40,900	(625)
1100	700	Property	3,050	2,439	3,700	1,617	3,700	0
1100	900	Publishing & Enrichment	0	0	0	0	0	0
<b>Function Total</b>			2,275,584	2,241,547	2,255,377	2,230,354	2,295,329	39,952 1.8%
<b>TECHNOLOGY</b>								
1120	100	Salaries	73,029	76,056	75,939	76,270	76,736	797
1120	200	Payroll Tax & Benefit	24,995	23,623	26,669	25,422	27,285	616
1120	400	Purch Prop Svcs	1,600	1,487	1,500	1,140	1,500	0
1120	600	Supplies	11,025	11,020	11,000	8,512	12,000	1,000
1120	700	Property	35,375	35,373	33,500	32,388	35,400	1,900
<b>Function Total</b>			146,024	147,559	148,608	143,732	152,921	4,313 2.9%
<b>SPECIAL EDUCATION</b>								
1200	100	Salaries--Teacher	180,485	191,660	186,642	206,524	197,021	10,379
1200	100	Salaries--Ed Asst	219,789	297,126	266,470	274,034	289,647	23,177
1200	200	Payroll Tax & Benefit	140,957	180,262	190,935	194,967	209,586	18,651
1200	300	Purch Prof'l & Tech Svcs	142,980	248,741	154,212	113,027	166,850	12,638
1200	400	Purch Prop Svcs	15,000	650	16,500	21,000	23,500	7,000
1200	500	Other Purch Svcs	1,500	374	1,500	0	1,500	0
1200	500	Tuition	298,300	324,792	347,400	447,470	355,400	8,000
1200	600	Supplies	6,200	2,953	6,300	1,224	6,300	0
1200	700	Property	700	197	1,000	0	1,000	0
<b>Function Total</b>			1,005,911	1,246,755	1,170,959	1,258,246	1,250,804	79,845 6.8%
<b>GUIDANCE</b>								
2120	100	Salaries	73,029	74,819	75,835	76,892	76,630	795
2120	200	Payroll Tax & Benefit	15,196	15,901	15,985	16,563	16,252	267
2120	600	Supplies	500	380	500	286	500	0
<b>Function Total</b>			88,725	91,100	92,320	93,741	93,382	1,062 1.2%
<b>HEALTH PROGRAM</b>								
2134	100	Salaries	54,170	54,170	54,730	54,731	55,305	575
2134	200	Payroll Tax & Benefit	7,916	8,385	7,966	7,579	8,062	96
2134	300	Purch Prof'l & Tech Svcs	350	0	350	150	350	0
2134	600	Supplies	2,500	2,479	2,500	807	2,500	0
2134	700	Property	400	0	400	0	400	0
<b>Function Total</b>			65,336	65,034	65,946	63,267	66,617	671 1.0%



## Norwich School District Expenditure Budget Report

NORWICH SCHOOL DISTRICT					2013-14	2013-14	2014-15	Bgt Chg	
Func	Obj	Proposed Budget	2012-13	2012-13	Adopted	Exp'd &	Proposed	increase	%
		2014-15	Budget	Actual	Budget	Enc'd	Budget	(decrease)	Chg
<b>STAFF DEVELOPMENT</b>									
2213	200	P/R Tax and Benefits	47,900	55,723	<b>48,000</b>	29,312	<b>63,500</b>	15,500	
2213	300	Purch Prof'l & Tech Svcs	2,000	1,972	<b>2,000</b>	362	<b>3,413</b>	1,413	
2213	600	Supplies	1,000	311	<b>1,000</b>	0	<b>1,000</b>	0	
<b>Function Total</b>			50,900	58,006	51,000	29,674	67,913	16,913	33.2%
<b>MEDIA (Library)</b>									
2221	100	Salaries	73,029	73,030	<b>73,785</b>	73,785	<b>74,559</b>	774	
2221	200	P/R Tax and Benefits	24,495	22,341	<b>21,501</b>	22,125	<b>21,991</b>	490	
2221	600	Supplies	7,500	7,344	<b>7,500</b>	5,819	<b>7,500</b>	0	
2221	700	Property	1,000	998	<b>1,000</b>	212	<b>1,000</b>	0	
<b>Function Total</b>			106,024	103,713	103,786	101,941	105,050	1,264	1.2%
<b>SCHOOL BOARD SERVICES</b>									
2310	100	Salaries	3,232	5,220	<b>2,732</b>	375	<b>5,416</b>	2,684	
2310	200	Payroll Tax & Benefit	237	407	<b>236</b>	46	<b>457</b>	221	
2310	300	Purch Prof'l & Tech Svcs	17,500	37,817	<b>18,500</b>	14,220	<b>17,000</b>	(1,500)	
2310	500	Other Purch Svcs	1,500	0	<b>1,500</b>	868	<b>1,500</b>	0	
2310	800	Other Objects	3,700	4,569	<b>3,700</b>	4,306	<b>4,100</b>	400	
<b>Function Total</b>			26,169	48,013	26,668	19,815	28,473	1,805	6.8%
<b>SCHOOL ADMINISTRATIVE UNIT #70</b>									
2320	300	Purch Prof'l & Tech Svcs	192,108	192,108	<b>206,626</b>	206,626	<b>230,702</b>	24,076	
<b>Function Total</b>			192,108	192,108	206,626	206,626	230,702	24,076	11.7%
<b>SCHOOL ADMINISTRATION</b>									
2410	110	Salary--Principal	96,913	94,500	<b>94,119</b>	94,119	<b>96,236</b>	2,117	
2410	11x	Salary--Support	46,576	47,891	<b>47,189</b>	50,378	<b>55,163</b>	7,974	
2410	115	Salary Admin Team	22,350	25,584	<b>21,607</b>	22,305	<b>23,119</b>	1,512	
2410	200	Payroll Tax & Benefit	77,607	75,945	<b>91,359</b>	80,461	<b>102,012</b>	10,653	
2410	300	Purch Prof'l & Tech Svcs	4,510	4,733	<b>5,600</b>	299	<b>5,600</b>	0	
2410	400	Purch Prop Svcs	1,800	1,800	<b>1,836</b>	1,836	<b>1,900</b>	64	
2410	500	Other Purch Svcs	11,425	10,625	<b>12,095</b>	5,763	<b>11,725</b>	(370)	
2410	600	Supplies	2,100	2,051	<b>2,100</b>	287	<b>2,100</b>	0	
2410	700	Property	1,000	525	<b>1,000</b>	0	<b>1,000</b>	0	
2410	800	Other Objects	1,500	805	<b>1,500</b>	928	<b>1,500</b>	0	
<b>Function Total</b>			265,781	264,459	278,405	256,376	300,355	21,950	7.9%
<b>MAINTENANCE OF PLANT</b>									
2610	100	Salaries	0	0	<b>0</b>	0	<b>0</b>	0	
2610	400	Purch Prop Svcs	33,370	41,804	<b>29,697</b>	34,490	<b>31,675</b>	1,978	
2610	500	Other Purch Svcs	550	660	<b>550</b>	550	<b>760</b>	210	
2610	600	Supplies	15,665	11,020	<b>18,869</b>	13,701	<b>16,100</b>	(2,769)	
<b>Function Total</b>			49,585	53,482	49,116	49,178	48,535	(581)	-1.2%
<b>CUSTODIAL SERVICES</b>									
2620	100	Salaries	109,221	110,377	<b>107,280</b>	115,784	<b>118,411</b>	11,131	
2620	200	P/R Tax and Benefits	45,510	48,495	<b>55,415</b>	53,903	<b>74,739</b>	19,324	
2620	400	Purch Prop Svcs	32,010	31,563	<b>36,500</b>	38,538	<b>33,100</b>	(3,400)	
2620	500	Other Purch Svcs	14,000	12,611	<b>13,494</b>	13,494	<b>14,000</b>	506	
2620	600	Supplies	81,700	78,429	<b>93,300</b>	85,200	<b>87,400</b>	(5,900)	
2620	700	Property	1,370	996	<b>3,900</b>	2,331	<b>2,200</b>	(1,700)	
<b>Function Total</b>			283,811	282,471	309,889	309,250	329,850	19,961	6.4%

## Norwich School District Expenditure Budget Report

NORWICH SCHOOL DISTRICT				2013-14	2013-14	2014-15	Bgt Chg	
Func	Obj	Proposed Budget	2012-13	Adopted	Exp'd &	Proposed	increase	%
		2014-15	Budget	Budget	Enc'd	Budget	(decrease)	Chg
<b>GROUNDS MAINTENANCE</b>								
2630	400	Purch Prop Svcs	9,935	6,221	12,300	7,174	12,400	100
2630	600	Supplies	8,100	6,346	8,400	2,385	8,100	(300)
		<b>Function Total</b>	18,035	12,567	20,700	9,559	20,500	(200) -1.0%
<b>PUPIL TRANSPORTATION</b>								
2711	500	Other Purch Svcs	231,076	223,966	240,988	232,068	245,193	4,205
2711	600	Supplies	20,000	15,341	21,560	12,955	21,560	0
		<b>Function Total</b>	251,076	239,307	262,548	245,023	266,753	4,205 1.6%
<b>SPECIAL EDUCATION TRANSPORTATION</b>								
2722	500	Other Purch Svcs	5,000	2,997	11,500	5,000	0	(11,500)
		<b>Function Total</b>	5,000	2,997	11,500	5,000	0	(11,500) -100.0%
<b>FIELD TRIPS</b>								
2725	500	Other Purch Svcs	5,000	3,787	5,000	2,935	9,250	4,250
		<b>Function Total</b>	5,000	3,787	5,000	2,935	9,250	4,250 85.0%
<b>STUDENT LUNCH SUPPLIES</b>								
3100	600	Supplies	3,000	8,745	7,500	1,994	12,000	4,500
		<b>Function Total</b>	3,000	8,745	7,500	1,994	12,000	4,500 60.0%
<b>SITE IMPROVEMENTS</b>								
4200	400	Purch Prop Svcs	9,720	10,365	7,900	3,275	11,800	3,900
		<b>Function Total</b>	9,720	10,365	7,900	3,275	11,800	3,900 49.4%
<b>BUILDING IMPROVEMENTS</b>								
4600	400	Purch Prop Svcs	54,400	57,813	8,000	7,626	12,000	4,000
		<b>Function Total</b>	54,400	57,813	8,000	7,626	12,000	4,000 50.0%
<b>DEBT SERVICE</b>								
5100	800	Other Objects	0	0	56,700	0	55,530	(1,170)
		<b>Function Total</b>	0	0	56,700	0	55,530	(1,170) -2.1%
<b>INTERFUND TRANSFERS OUT</b>								
5100	800	Trnsfr to Spec Ed Rsv	0	0	0	0	0	0 n/a
5100	800	Trnsfr to Bldg Maint Rsv	0	0	25,000	0	0	(25,000) -1
		<b>Function Total</b>	0	0	25,000	0	0	(25,000) -100.0%
<b>SCHOOL TOTAL</b>								
			4,902,189	5,129,798	5,163,548	5,037,612	5,357,764	194,216 3.8%

### Notes:

1. "Func" and "Obj" are federally required accounting designations which refer to "function" and "object". A function might be "regular education" or "transportation". "Objects" designate the type of expense being reported, for example, wage expense, or equipment expense, relating to a particular function.
2. The "budget" columns represent the adopted budget for the particular line item or group of line items. "Actual" represents the amount actually spent in the prior year. Exp'd & Enc'd represents, in salary and benefit accounts, the expected expenditure through year end; and in other accounts, the actual expenditure, plus amount for which the school has issued purchase orders or contracts for goods or services. It may represent an estimate of year end, but more likely not.
3. The "Bgt Chg" column represents the difference between the proposed budget and the current year's budget. The "% Chg" is computed based on the same columns.



# Independent Auditor's Report – Excerpts



## **PLODZIK & SANDERSON**

*Professional Association/Accountants & Auditors*

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### **INDEPENDENT AUDITOR'S REPORT**

To the Members of the School Board  
Norwich School District  
Norwich, Vermont

#### ***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 Norwich School District as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

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

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Norwich School District as of June 30, 2013, and the respective changes in financial position, and the respective budgetary comparison for the general fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Emphasis of Matter – Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 3 through 8) and the Schedule of Funding Progress for Other Postemployment Benefit Plan (page 29) 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 them 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

*Norwich School District  
Independent Auditor's Report*

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.

*Emphasis of Matter – Supplementary Information*

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

The combining and individual fund financial schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

January 6, 2014

*Plodzik & Sanderson  
Professional Association*

*EXHIBIT C-1*  
**NORWICH SCHOOL DISTRICT**  
*Governmental Funds*  
**Balance Sheet**  
*June 30, 2013*

	General	Energy Efficiency Project	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 486,815	\$ -	\$ 90,680	\$ 577,495
Investments	1,961,480	-	-	1,961,480
Receivables, net of allowance for uncollectible:				
Accounts	398	-	2,124	2,522
Intergovernmental	189,142	13,637	18,961	221,740
Interfund receivable	83,276	-	-	83,276
Prepaid items	3,736	-	-	3,736
Total assets	<u>\$ 2,724,847</u>	<u>\$ 13,637</u>	<u>\$ 111,765</u>	<u>\$ 2,850,249</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 19,350	\$ 16,839	\$ 1,959	\$ 38,148
Accrued salaries and benefits	8,407	-	-	8,407
Intergovernmental payable	13,160	-	-	13,160
Interfund payable	-	71,267	12,009	83,276
Total liabilities	<u>40,917</u>	<u>88,106</u>	<u>13,968</u>	<u>142,991</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>13,637</u>	<u>-</u>	<u>13,637</u>
<b>FUND BALANCES</b>				
Nonspendable	3,736	-	-	3,736
Restricted	-	-	97,797	97,797
Committed	2,564,603	-	-	2,564,603
Assigned	81,683	-	-	81,683
Unassigned (deficit)	33,908	(88,106)	-	(54,198)
Total fund balances	<u>2,683,930</u>	<u>(88,106)</u>	<u>97,797</u>	<u>2,693,621</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,724,847</u>	<u>\$ 13,637</u>	<u>\$ 111,765</u>	<u>\$ 2,850,249</u>

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

**EXHIBIT C-3**  
**NORWICH SCHOOL DISTRICT**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2013**

	General	Energy Efficiency Project	Other Governmental Funds	Total Governmental Funds
Revenues:				
Local	\$ 98,161	\$ -	\$ 27,370	\$ 125,531
State	11,197,262	4,092	8,049	11,209,403
Federal	-	-	252,680	252,680
Total revenues	11,295,423	4,092	288,099	11,587,614
Expenditures:				
Current:				
Instruction	3,675,805	-	228,117	3,903,922
Support services:				
Student	156,133	-	-	156,133
Instructional staff	147,579	-	-	147,579
General administration	48,013	-	-	48,013
Executive administration	192,108	-	-	192,108
School administration	264,458	-	-	264,458
Operation and maintenance of plant	348,212	-	-	348,212
Student transportation	246,091	-	-	246,091
Noninstructional services	8,746	-	53,515	62,261
Facilities acquisition and construction	52,604	76,031	-	128,635
Total expenditures	5,139,749	76,031	281,632	5,497,412
Excess (deficiency) of revenues over (under) expenditures	6,155,674	(71,939)	6,467	6,090,202
Other financing sources (uses):				
Transfers in	-	-	15,797	15,797
Transfers out	(15,797)	-	-	(15,797)
Intergovernmental transfers out	(6,398,727)	-	-	(6,398,727)
Total other financing sources and uses	(6,414,524)	-	15,797	(6,398,727)
Net change in fund balances	(258,850)	(71,939)	22,264	(308,525)
Fund balances (deficit), beginning, as restated (see Note 13)	2,942,780	(16,167)	75,533	3,002,146
Fund balances (deficit), ending	\$ 2,683,930	\$ (88,106)	\$ 97,797	\$ 2,693,621

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

**SCHEDULE 4**  
**NORWICH SCHOOL DISTRICT**  
*Nonmajor Governmental Funds*  
**Combining Balance Sheet**  
**June 30, 2013**

	Special Revenue Funds				Total
	Food Service	Grants	Medicaid	Other	
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ 87,115	\$ 3,565	\$ 90,680
Receivables:					
Accounts	2,124	-	-	-	2,124
Intergovernmental	-	11,844	7,117	-	18,961
Total assets	<u>\$ 2,124</u>	<u>\$ 11,844</u>	<u>\$ 94,232</u>	<u>\$ 3,565</u>	<u>\$ 111,765</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 1,958	\$ 1	\$ -	\$ -	\$ 1,959
Interfund payable	166	11,843	-	-	12,009
Total liabilities	<u>2,124</u>	<u>11,844</u>	<u>-</u>	<u>-</u>	<u>13,968</u>
<b>FUND BALANCES</b>					
Restricted	-	-	94,232	3,565	97,797
Total liabilities and fund balances	<u>\$ 2,124</u>	<u>\$ 11,844</u>	<u>\$ 94,232</u>	<u>\$ 3,565</u>	<u>\$ 111,765</u>

# Three Prior Years Comparisons

(Provided by VT DOE)

PRELIMINARY

Three Prior Years Comparisons - Format as Provided by AOE

ESTIMATES ONLY

District: <b>Norwich</b> County: <b>Windsor</b>		T145 Dresden Interstate		Standing education tax rate - all b-Guns of page	Recommended homestead rate from Tax Commissioner, One note of tuition if page
				9,382	1.01
<b>Expenditures</b>		<b>FY2012</b>	<b>FY2013</b>	<b>FY2014</b>	<b>FY2015</b>
1.	<b>Budget</b> (local budget, including special programs, full technical center expenditures, and any Act 144 expenditures)	\$10,312,212	\$11,347,910	\$11,710,725	\$12,121,651
2.	plus Sum of separately warned articles passed at town meeting	-	-	-	-
3.	minus Act 144 Expenditures, to be excluded from Education Spending	-	-	-	-
4.	Act 68 locally adopted or warned budget	\$10,312,212	\$11,347,910	\$11,710,725	\$12,121,651
5.	plus Obligation to a Regional Technical Center School District if any	-	-	-	-
6.	plus Prior year deficit repayment of deficit	-	\$25,000	-	-
7.	<b>Gross Act 68 Budget</b>	<b>\$10,312,212</b>	<b>\$11,372,910</b>	<b>\$11,710,725</b>	<b>\$12,121,651</b>
8.	S.U. assessment (included in local budget) - informational data	\$170,858	\$192,106	\$205,628	\$230,702
9.	Prior year deficit reduction (included in expenditure budget) - informational data	-	\$25,000	-	-
<b>Revenues</b>					
10.	Local revenues (categorical grants, donations, tuitions, surplus, etc., including local Act 144 tax revenues)	\$1,152,680	\$1,233,822	\$1,315,294	\$1,282,066
11.	plus Capital debt aid for eligible projects pre-existing Act 60	-	-	-	-
12.	plus Prior year deficit reduction if included in revenue (negative revenue instead of expenditures)	-	not allowed	not allowed	not allowed
13.	minus All Act 144 revenues, including local Act 144 tax revenues	-	-	-	-
14.	<b>Total local revenues</b>	<b>\$1,152,680</b>	<b>\$1,233,822</b>	<b>\$1,315,294</b>	<b>\$1,282,966</b>
15.	<b>Education Spending</b>	<b>\$9,159,532</b>	<b>\$10,139,088</b>	<b>\$10,395,431</b>	<b>\$10,838,685</b>
16.	Equalized Pupils (Act 130 count is by school district)	622.44	632.50	633.24	638.33
<b>Education Spending per Equalized Pupil</b>		<b>\$14,716.53</b>	<b>\$16,030.18</b>	<b>\$16,416.26</b>	<b>\$16,980</b>
17.	minus Less ALL not eligible construction costs (or P&I) per equalized pupil	\$1,257.18	\$1,383.69	\$1,459.04	\$1,512
18.	minus Less share of SpEd costs in excess of \$50,000 for an individual	\$19.06	\$27.32	\$10.14	\$10
19.	minus Less amount of deficit if deficit is SOLELY attributable to tuitions paid to public schools for grades the district does not operate for new students who moved to the district after the budget was passed	-	-	-	-
20.	minus Less SpEd costs if excess is solely attributable to new SpEd spending if district has 20 or fewer equalized pupils	-	-	-	-
21.	minus Estimated costs of new students after census period	-	-	-	-
22.	minus Total tuitions if tuitioning ALL K-12 unless electorate has approved tuitions greater than average announced tuition	NA	NA	-	-
23.	minus Less planning costs for merger of small schools	-	-	-	-
24.		Threshold = \$14,733	Threshold = \$14,887	Threshold = \$15,438	Threshold = \$16,988
25.	plus Excess Spending per Equalized Pupil over threshold (if any)	\$14,716	\$16,030	\$16,416	\$16,980
26.	Per pupil figure used for calculating District Adjustment				
27.	<b>District spending adjustment (minimum of 100%)</b> (\$16,980 / \$9,382)	172.232%	185.769%	179.393%	180.982%
<b>Prorating the local tax rate</b>					
28.	Anticipated district equalized homestead tax rate to be prorated (180.982% x \$1.01)	\$1.4594 based on \$0.57	\$1.6355 based on \$0.57	\$1.6863 based on \$0.94	\$1.8279 based on \$1.01
29.	Percent of Norwich equalized pupils not in a union school district	100.000%	100.000%	100.000%	100.000%
30.	Portion of district eq homestead rate to be assessed by town (100.000% x \$1.83)	\$1.4984	\$1.6355	\$1.6863	\$1.8279
31.	<b>Common Level of Appraisal (CLA)</b>	90.91%	93.30%	97.16%	99.33%
32.	Portion of actual district homestead rate to be assessed by town (\$1.828 / 99.33%)	\$1.8482 based on \$0.80	\$1.7529 based on \$0.57	\$1.7356 based on \$0.94	\$1.8402 based on \$1.01
(If the district belongs to a union school district, this is only a PARTIAL homestead tax rate. The tax rate shown represents the estimated portion of the final homestead tax rate due to spending for students who do not belong to a union school district. The same holds true for the income cap percentage.)					
33.	Anticipated income cap percent to be prorated (180.982% x 1.84%)	3.10%	3.31%	3.23%	3.33%
34.	Portion of district income cap percent applied by State (100.000% x 3.33%)	3.10%	3.31%	3.23%	3.33%
35.	Percent of equalized pupils at union 1	-	-	-	-
36.		-	-	-	-

- Following current statute, the base education amount is calculated to be \$9,382. The tax commissioner has recommended base tax rates of \$1.01 and \$1.51. The administration also has stated that tax rates could be lower than the recommendations if statewide education spending is held down.  
- Final figures will be set by the Legislature during the legislative session and approved by the Governor.  
- The base income percentage cap is 1.84%.



# Comparative Data for Cost Effectiveness

(Provided by VT DOE)

School: Marion W Cross School  
S.U.: Dresden Interstate S.D.

A list of schools and school districts in each cohort may be found on the DOE website under "School Data and Reports":  
<http://www.state.vt.us/edu/>

## FY2013 School Level Data

Cohort Description: Elementary school, FY2013 enrollment ≥ 300  
(32 schools in cohort)

Cohort Rank by Enrollment (1 is largest)  
27 out of 32

School level data		Grades Offered	Enrollment	Total Teachers	Total Administrators	Stu / Tchrr Ratio	Stu / Admin Ratio	Tchrr / Admin Ratio
Smaller → ← Larger	Stowe Elementary School	PK - 5	306	23.25	1.00	13.16	306.00	23.25
	Randolph Elementary School	PK - 6	308	25.35	2.00	12.07	153.00	12.68
	Northfield Elementary School	PK - 5	306	26.60	1.00	11.42	306.00	26.60
	<b>Marion W Cross School</b>	<b>K - 6</b>	<b>318</b>	<b>23.50</b>	<b>1.00</b>	<b>13.53</b>	<b>318.00</b>	<b>23.50</b>
	J J Flynn School	PK - 5	318	26.10	1.00	12.18	318.00	26.10
	C P Smith School	PK - 5	321	24.20	1.00	13.26	321.00	24.20
	Vergennes UESD #44	PK - 6	327	22.00	1.00	14.86	327.00	22.00
Averaged SCHOOL cohort data			<b>416.22</b>	<b>31.74</b>	<b>1.48</b>	<b>13.11</b>	<b>280.46</b>	<b>21.39</b>

School District: Norwich  
LEA ID: T145

Special education expenditures vary substantially from district to district and year to year. Therefore, they have been excluded from these figures.

The portion of current expenditures made by supervisory unions on behalf of districts varies greatly. These data include district assessments to SUs, including assessments to SUs makes districts more comparable to each other.

## FY2012 School District Data

Cohort Description: Elementary school district, FY2012 FTE ≥ 300  
(9 school districts in cohort)

Grades offered in School District  
Student FTE enrolled in school district  
Current expenditures per student FTE EXCLUDING special education costs

Cohort Rank by FTE  
(1 is largest)  
9 out of 9

School district data (local, union, or joint district)

Smaller → ← Larger	Norwich	K-6	306.20	\$13,163
	Highgate	K-6	311.25	\$10,469
	Derby	K-6	329.40	\$11,447
	Cambridge	PK-6	350.29	\$10,663
	Averaged SCHOOL DISTRICT cohort data		<b>463.87</b>	<b>\$11,272</b>

Current expenditures are an effort to calculate an amount per FTE spent by a district on students enrolled in that district. This figure excludes tuition and assessments paid to other providers, construction and equipment costs, debt service, adult education, and community service.

## FY2014 School District Data

				School district tax rate			Total municipal tax rate, K-12, consisting of prorated member district rates		
				SchIDist	SchIDist	SchIDist	MUN	MUN	MUN
				Equalized	Education	Equalized	Equalized	Common	Actual
				Pupils	Spending per	Homestead	Homestead	Level	Homestead
					Equalized Pupil	Ed tax rate	Ed tax rate	of Appraisal	Ed tax rate
				Grades offered in School District		Use these tax rates to compare towns rates.			These tax rates are not comparable due to CLAs.
LEA ID	School District								
Smaller > < Larger	T026	Brandon	PK-6	338.34	12,472.18	1.2812	1.3565	102.37%	1.3251
	T123	Middlebury ID #4	K-6	408.82	14,285.79	1.4675	1.5367	89.23%	1.7222
	T204	Swanton	PK-6	562.00	11,933.78	1.2259	1.2301	107.48%	1.1445
	T145	Norwich	K-6	633.24	16,416.28	1.6863	1.6863	97.16%	1.7356
	T027	Brattleboro	K-6	784.34	15,147.10	1.5559	1.5942	100.72%	1.5828
	T015	Barnington ID	K-5	844.44	11,786.89	1.2108	1.2889	91.70%	1.4055

Use these tax rates to compare towns rates.

These tax rates are not comparable due to CLAs.

The Legislature has required the Department of Education to provide this information per the following statute:

16 V.S.A. § 165(a)(2) The school, at least annually, reports student performance results to community members in a format selected by the school board. . . . The school report shall include:

(K) data provided by the commissioner which enable a comparison with other schools, or school districts if school level data are not available, for cost-effectiveness. The commissioner shall establish which data are to be included pursuant to this subdivision and, notwithstanding that the other elements of the report are to be presented in a format selected by the school board, shall develop a common format to be used by each school in presenting the data to community members. The commissioner shall provide the most recent data available to each school no later than October 1 of each year. Data to be presented may include student-to-teacher ratio, administrator-to-student ratio, administrator-to-teacher ratio, and cost per pupil.

