

Part V

Norwich School District

Norwich School District Officers

School Board

	Term Expires
Justin Campfield	2016
Tom Candon	2017
Kelley Hersey	2016
Jim Mackall	2017
Neil Odell	2018

School District Treasurer

Cheryl A. Lindberg	2017
--------------------------	------

Administration

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

Superintendent's Report

Nearly fifty years ago, Justice Brennan captured the essence of a public school education in the landmark case, *Keyishian v. Board of Regents* (1967): "The classroom is peculiarly 'the marketplace of ideas'...The nation's future depends upon leaders trained through wide exposure to that robust exchange of ideas which discovers truth out of a multitude of tongues, rather than through any kind of authoritative selections."

Now fifty years later, we not only still espouse those values and ideals—we see them literally unfold before us every day in the classrooms, hallways and playgrounds of Marion Cross School (MCS); a veritable panoply of activity and opportunity abounds within the school. The staff and administration have gone to great lengths to inculcate a spirit of inquiry, an awe and wonder at the limitless frontiers at our doorstep such that every child learns to navigate through a series of content-rich domains that ultimately reflect back to a major theme under investigation by the grade level, and in many cases the entire school. Described by some as the ringmaster, Principal Bill Hammond continually scans the horizon looking for new and innovative ways for faculty and staff to engage with our students in these multifaceted ways in an effort to engender learning for learning's sake motif where grades, test scores, and other measures simply become natural by-products of the classroom experience.

Speaking of testing, the State of Vermont has changed the yearly testing paradigm, and so last year was our first foray with the new SBAC testing format. Although only one indicator, it is interesting to note that MCS had the highest composite score of any school in both Vermont and New Hampshire. The same could be said about how well the school performed on the NECAP Science Test, which is given every spring. Not surprisingly, MCS has been rated as #6 in the nation for public elementary schools in each of the last two years.

Yet, despite the accolades with state and national testing, MCS, and especially Principal Hammond, are most proud of the attitude and demeanor of our student body. Trite as it may sound, we end with the rejoinder we hear almost every day at MCS, "Gee mom, you should have seen what we did in school today!"

Frank Bass, Ph.D., Superintendent of Schools

Norwich School Board Annual Report

“There is nothing permanent except change” - Heraclitus

At the end of the last legislative session Act 46 was adopted as law. It represented the most significant change in Vermont Education law since Act 68. It pushed school districts across the state to look at partnerships with other districts through incentives and penalties. It introduced new formulas for calculating the homestead property tax rate and the “income sensitivity” rate. All districts across the state were provided with new per-pupil Allowable Growth Rates (AGR), referred to by many as “spending caps.” Districts that exceeded their AGR would be taxed again on the excess. At the beginning of the summer, our AGR was 1.99%. By the end of the summer that figure was revised down to 1.22%. Things were changing.

As we entered our budget season, it became obvious that this new cap was more onerous than that provided through the previous formula. The board worked hard to adjust the budget downward to comply. Then things changed again.

As the 2016 legislative session started, legislators were hearing from many school districts that the cuts necessary to meet the caps were significant. In Norwich’s case, it amounted to over \$200,000. Legislators in the Senate and the House were considering changes to the caps. And then word came that the Agency of Education had misinterpreted the formula for calculating the caps – and the base per-pupil amount as adjusted downward for many districts – Norwich included. The end result was that we now exceeded the AGR even more – and would need to cut even more from the budget. And then things changed again.

We heard that Rivendell had been granted an exemption from the spending caps by the Agency of Education because of their status as an Interstate School District. We requested that the Agency review Norwich’s status as well and shortly before our very last budget meeting we received confirmation that we were exempt. No 1.22% cap, no tax penalties. While this is good news for Norwich, I anticipate things may change again. It’s possible we may not even have final answers in time for Town Meeting.

But change can also be good. At Marion Cross, the constant focus on new ways of teaching, new methods of reaching all students and new opportunities for our children have led to very positive change.

Forest Fridays, now incorporated in Kindergarten, moves the classroom outside. Students are able to experience firsthand the change of the seasons, see plant growth and decay, and build and explore complex structures all while developing important social skills in the process.

This year we started an elective program that allows fifth and sixth graders the opportunity to explore other topic areas outside of the traditional curriculum. Students can work more closely with technology, designing and then printing complex 3D objects, learn how culture and background shapes thinking, or work with students in the lower grades, serving as “teachers” and mentors.

Last year we changed to SBAC (Smarter Balanced Assessment Consortium) annual assessment testing for math and language arts. Unlike many schools across the country, we did not change our curriculum. Marion Cross students did extremely well and our results ranked among the best in the state and the country.

In December all children, in all grades, participated in an Hour of Code. This international event introduces kids to computer programming, and through hands-on exercises, students began to learn how they can use technology to create – not just consume – content.

As we can see, change can be disruptive or it can provide new and exciting opportunities. What hasn’t changed, however, is the support that you provide to our school. Whether it’s through tax dollars or volunteer hours, it is all greatly appreciated. All of you play a role in making Marion Cross a fantastic school in a wonderful community.

Neil Odell, Chair, Norwich School Board

Marion Cross School Principal's Report

A student came up to me last week—quietly—and said: “Mr. Bill. I heard someone say something inappropriate.”

I thought maybe . . . well, you may surmise what I thought, but I simply asked: “Is it something you can share with me?”

“Yes,” she said. “Someone said, I can’t do it, but I don’t think that’s true. I think we can do things. What she said bothered me.”

Often I just pause and listen at that point because I can tell students want to tell me more.

“I’d like to make a poster,” she said, “to let kids know that they can.” And so, with a friend, she made the poster, with I can’t do it crossed out, and I can do it written underneath with positive checks.

How about that?

As a whole staff, we focus on students’ abilities to learn. They learn at different rates and with different levels of interest, but we want to ensure that they keep learning, and that they understand that they can keep learning. Kindergarteners spent Forest Fridays learning in the Milt Frye Nature Area. First graders sounded out words for the first time using the reading program Foundations. Second graders had a Skype conversation with Senator Leahy. Third graders memorized Lewis Carroll’s *Jabberwocky*. Fourth and fifth graders dissected fetal pigs with volunteer parents. Sixth graders produced one-hour versions of three Shakespearean plays: *Macbeth*, *Twelfth Night*, and *The Tempest*. Are each of these learning situations challenging? Yes. Are our students capable of doing these well? Yes.

In 2014-15 we enrolled 305 students at the Marion Cross School. This year (2015-16) we presently have 312 students.

In 2014-15 we worked hard to help students internalize the growth mindset, and we will continue with that goal. The students can do it.

Bill Hammond, Principal (649-1703, ext. 202)



A Marion Cross school event.

Norwich School District Proposed Revenue Report

NORWICH SCHOOL DISTRICT Proposed Revenue Budget 2016-17 School Year		2014-15 Actual Year End	2015-16 Adopted	2015-16 Anticipated Year End	2016-17 Proposed	\$ Chg	% Chg
GENERAL FUND							
Local Revenue							
1311	Tuition from Patron	\$0	\$11,786	\$11,800	\$11,800	\$0	0.0%
1510	Interest Income	2,000	925	800	800	-	0.0%
1910	Rental of District Property	14,000	13,820	14,570	14,570	-	0.0%
1980	Refund of Prior Year Exp	6,000	7,273	4,200	4,200	-	0.0%
1990	Miscellaneous Income	500	32	150	150	-	0.0%
<i>subtotal local sources</i>		\$22,500	\$33,835	\$31,520	\$31,520	\$0	0.0%
State Revenue							
3109	Homestead Tax Liability	\$10,824,891	\$10,824,891	\$10,917,856	\$10,917,856	\$10,880,062	(\$37,794) -0.3%
3114	Vocational Center Grant	13,794	22,699	25,510	25,510	25,449	(61) -0.2%
3150	Transportation Grant	112,474	104,160	98,560	98,560	99,771	1,211 1.2%
3201	Special Education Block Grant	266,264	266,264	275,667	275,667	261,124	(14,543) -5.3%
3202	Special Ed Exp Reimb	447,689	413,818	389,880	389,880	356,483	(33,397) -8.6%
3203	Extraordinary Reimb	140,400	88,736	34,650	34,650	52,171	17,521 50.6%
3204	Early Essential Education Grant	48,248	48,248	50,661	50,661	47,866	(2,795) -5.5%
Other Revenue							
5230	Transfr from Vt Const Aid Fund	245,391	247,164	231,412	231,412	231,343	(69) 0.0%
<i>subtotal state sources</i>		\$12,099,151	\$12,015,980	\$12,024,196	\$12,024,196	\$11,954,269	(\$69,927) -0.6%
GENERAL FUND TOTAL		\$12,121,651	\$12,049,815	\$12,055,716	\$12,055,716	\$11,985,789	(\$69,927) -0.6%
Summary:							
Appropriation Total					\$12,000,089		
from Prior Year Fund Balance					0		
from Other Income				1,137,860	1,105,727		
<i>Total Revenue & From Fund Balance</i>					1,105,727		
From District Assessment					\$10,894,362		
Revenue for Purposes of Calculating "Ed Spending" and Estimated Tax Rate							
Revenue Total					\$1,105,727		
less Vocational Grant					25,449		
<i>Revenue for Purposes of Calculating "Ed Spending" and Estimated Tax Rate</i>					\$1,080,278		

In accordance with VSA Title 16 § 563 an audit of the 2014-15 accounts of the Norwich School District was conducted by Plodzick 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

Func	Obj	NORWICH SCHOOL DISTRICT Proposed Budget 2016-17	2014-15 Budget	2014-15 Actual	2015-16 Adopted Budget	2015-16 Exp'd & Enc'd	2016-17 Proposed Budget	Bgt Chg increase (decrease)	% Chg
REGULAR EDUCATION									
1100	100	Salaries-Teacher	1,508,059	1,520,051	1,568,706	1,642,992	1,621,001	52,295	
1100	100	Salaries-Ed Asst	79,938	75,555	85,884	60,752	81,598	(4,286)	
1100	100	Substitutes	22,000	27,390	22,000	3,741	22,000	0	
1100	100	Tutors & LEEEP	50,431	30,052	16,347	71,351	19,498	3,151	
1100	200	Payroll Tax & Benefit	547,801	552,218	583,410	560,312	618,513	35,103	
1100	300	Purch Prof & Tech Svcs	3,500	0	3,500	6,877	10,500	7,000	
1100	400	Purch Prop Svcs	19,000	14,829	18,700	13,321	18,900	200	
1100	5xx	Other Purch Svcs	0	0	0	93,000	0	0	
1100	560	Tuition-GED	4,000	0	4,000	0	1,000	(3,000)	
1100	566	Tuition-Pre-K	0	0	100,000	0	92,760	(7,240)	
1100	568	Tuition-Vocational	16,000	22,699	25,510	25,510	25,510	0	
1100	500	Total Purchased Services	20,000	22,699	129,510	118,510	119,270	(10,240)	
1100	600	Supplies/Textbooks	40,900	37,157	43,825	27,959	48,825	5,000	
1100	700	Property	3,700	3,200	3,985	2,880	4,100	115	
		Function Total	2,295,329	2,283,151	2,475,867	2,508,695	2,564,205	88,338	3.6%
TECHNOLOGY									
1120	100	Salaries	76,736	76,709	77,733	78,090	79,644	1,911	
1120	200	Payroll Tax & Benefit	27,285	26,033	26,761	26,950	28,207	1,446	
1120	300	Purch Prof Tech Svcs	0	0	0	0	2,500	2,500	
1120	400	Purch Prop Svcs	1,500	1,427	1,500	1,322	1,500	0	
1120	600	Supplies	11,000	10,934	12,000	9,249	12,000	0	
1120	700	Property	36,400	36,360	35,400	29,681	36,400	1,000	
		Function Total	152,921	151,463	153,394	145,292	160,251	6,857	4.5%
SPECIAL EDUCATION									
1200	100	Salaries-Teacher	178,177	185,109	213,457	180,446	228,576	15,119	
1200	100	Salaries-Ed Asst	289,647	248,211	242,428	207,981	264,635	22,207	
1200	200	Payroll Tax & Benefit	209,586	210,078	191,437	242,851	292,382	100,945	
1200	300	Purch Prof & Tech Svcs	166,850	72,496	100,300	55,597	94,250	(6,050)	
1200	400	Purch Prop Svcs	23,500	3,565	20,000	1,200	14,500	(5,500)	
1200	500	Other Purch Svcs	1,500	358	1,500	1,500	1,500	0	
1200	500	Tuition	343,150	291,673	162,620	179,083	158,900	(3,720)	
1200	500	Total Purchased Svcs	344,650	292,032	164,120	180,584	160,400	(3,720)	
1200	600	Supplies	6,300	4,544	6,400	1,286	7,000	600	
1200	700	Property	1,000	2,000	1,300	0	1,000	(300)	
		Function Total	1,219,710	1,018,034	939,442	869,944	1,062,743	123,301	13.1%
GUIDANCE									
2120	100	Salaries	76,630	76,950	77,626	78,771	57,720	(19,906)	
2120	200	Payroll Tax & Benefit	16,252	10,380	10,354	12,232	22,861	12,507	
2120	600	Supplies	500	492	500	56	500	0	
		Function Total	93,382	87,822	88,480	91,059	81,081	(7,399)	-8.4%
HEALTH PROGRAM									
2134	100	Salaries	55,305	61,040	61,834	64,258	65,520	3,686	
2134	200	Payroll Tax & Benefit	8,062	21,117	7,914	25,154	27,600	19,686	
2134	300	Purch Prof & Tech Svcs	350	0	350	0	350	0	
2134	600	Supplies	2,500	2,297	2,500	1,328	2,500	0	
2134	700	Property	400	556	400	0	500	100	
		Function Total	66,617	85,010	72,998	90,740	96,470	23,472	32.2%
PRE-EMPLOYMENT COSTS									
2139	300	Purch Prof & Tech Svcs	0	0	0	0	0	0	
		Function Total	0	0	0	0	0	0	n/a

Norwich School District Expenditure Budget Report

Func	Obj	NORWICH SCHOOL DISTRICT Proposed Budget 2016-17	2014-15 Budget	2014-15 Actual	2015-16 Adopted Budget	2015-16 Exp'd & Enc'd	2016-17 Proposed Budget	Bgt Chg increase (decrease)	% Chg
STAFF DEVELOPMENT									
2213	100	Salaries	0	0	0	0	0	0	
2213	200	P/R Tax and Benefits	63,500	61,690	78,500	35,458	78,500	0	
2213	300	Purch Prof & Tech Svcs	3,413	1,095	3,400	0	3,400	0	
2213	600	Supplies	1,000	0	1,000	0	1,000	0	
		Function Total	67,913	62,785	82,900	35,458	82,900	0	0.0%
MEDIA (Library)									
2221	100	Salaries	74,559	74,559	75,528	75,941	77,432	1,904	
2221	200	P/R Tax and Benefits	21,991	22,478	22,779	23,235	23,909	1,130	
2221	600	Supplies	7,500	7,026	8,854	5,082	8,900	46	
2221	700	Property	1,000	849	1,000	485	1,000	0	
		Function Total	105,050	104,912	108,161	104,743	111,241	3,080	2.8%
SCHOOL BOARD SERVICES									
2310	100	Salaries	5,416	5,360	5,509	305	5,531	22	
2310	200	Payroll Tax & Benefit	457	443	532	125	534	2	
2310	300	Purch Prof & Tech Svcs	17,000	15,777	14,500	21,896	14,500	0	
2310	500	Other Purch Svcs	1,500	1,543	1,500	0	2,000	500	
2310	800	Other Objects	4,100	4,873	4,100	3,698	5,000	900	
		Function Total	28,473	27,996	26,141	26,024	27,565	1,424	5.4%
SCHOOL ADMINISTRATIVE UNIT #70									
2320	300	Purch Prof & Tech Svcs	230,702	230,702	237,334	237,334	235,289	(2,045)	
		Function Total	230,702	230,702	237,334	237,334	235,289	(2,045)	-0.9%
SCHOOL ADMINISTRATION									
2410	110	Salary-Principal	96,236	98,486	98,486	100,456	101,160	2,674	
2410	11x	Salary-Support	55,163	53,021	55,429	55,635	56,009	580	
2410	115	Salary Admin Team	23,119	27,793	24,492	20,708	24,733	241	
2410	200	Payroll Tax & Benefit	102,012	91,752	89,410	89,999	92,963	3,553	
2410	300	Purch Prof & Tech Svcs	5,600	2,405	5,600	1,608	5,600	0	
2410	400	Purch Prop Svcs	1,900	1,872	1,908	2,188	2,200	292	
2410	500	Other Purch Svcs	11,725	5,847	11,725	7,634	10,725	(1,000)	
2410	600	Supplies	2,100	2,410	2,700	83	2,700	0	
2410	700	Property	1,000	0	815	0	900	85	
2410	800	Other Objects	1,500	885	1,500	225	1,500	0	
		Function Total	300,355	284,471	292,065	278,536	298,490	6,425	2.2%
PAYROLL TAXES & BENEFITS									
2410	200	Retiree Wages	0	0	0	0	0	0	
2410	211	Medical Insurance	0	0	0	0	0	0	
2410	211	Retiree Medical Insur	0	0	0	0	0	0	
2410	212	Dental Insurance	0	0	0	0	0	0	
2410	213	Life Insurance	0	0	0	0	0	0	
2410	230	Retiree FICA	0	0	0	0	0	0	
2410	260	Unemployment Insur	0	0	0	0	0	0	
		Function Total	0	0	0	0	0	0	n/a
MAINTENANCE OF PLANT									
2610	100	Salaries	0	0	0	0	0	0	
2610	200	Payroll Tax & Benefit	0	0	0	0	0	0	
2610	400	Purch Prop Svcs	32,475	26,461	30,431	24,688	29,550	(881)	
2610	500	Other Purch Svcs	760	893	800	697	900	100	
2610	600	Supplies	16,100	6,224	14,500	9,512	12,300	(2,200)	
		Function Total	49,335	33,578	45,731	34,897	42,750	(2,981)	-6.5%

Norwich School District Expenditure Budget Report

Func	Obj	NORWICH SCHOOL DISTRICT			2015-16	2015-16	2016-17	Bgt Chg	%
		Proposed Budget	2014-15	2014-15	Adopted	Exp'd &	Proposed	increase	%
		2016-17	Budget	Actual	Budget	Enc'd	Budget	(decrease)	Chg
CUSTODIAL SERVICES									
2620	100	Salaries	118,411	116,681	122,253	111,294	118,264	(3,989)	
2620	200	P/R Tax and Benefits	74,739	43,425	53,620	47,718	55,497	1,877	
2620	400	Purch Prop Svcs	34,590	31,338	33,100	23,800	31,100	(2,000)	
2620	500	Other Purch Svcs	14,000	21,863	14,500	21,703	22,000	7,500	
2620	600	Supplies	87,700	83,585	83,400	82,618	73,400	(10,000)	
2620	700	Property	2,200	1,769	2,000	0	2,000	0	
		<i>Function Total</i>	331,640	298,661	308,873	287,133	302,261	(6,612)	-2.1%
GROUNDS MAINTENANCE									
2630	400	Purch Prop Svcs	12,100	6,685	10,130	7,710	11,300	1,170	
2630	600	Supplies	9,550	9,542	4,870	1,620	9,000	4,130	
		<i>Function Total</i>	21,650	16,227	15,000	9,330	20,300	5,300	35.3%
PUPIL TRANSPORTATION									
2711	500	Other Purch Svcs	245,193	237,479	237,501	237,501	242,251	4,750	
2711	600	Supplies	21,560	10,603	15,000	8,000	14,000	(1,000)	
		<i>Function Total</i>	266,753	248,082	252,501	245,501	256,251	3,750	1.5%
SPECIAL EDUCATION TRANSPORTATION									
2722	500	Other Purch Svcs	31,094	26,281	44,000	18,002	27,000	(17,000)	
		<i>Function Total</i>	31,094	26,281	44,000	18,002	27,000	(17,000)	-38.6%
FIELD TRIPS									
2725	500	Other Purch Svcs	9,250	8,272	10,250	6,128	10,250	0	
		<i>Function Total</i>	9,250	8,272	10,250	6,128	10,250	0	0.0%
STUDENT LUNCH SUPPLIES									
3100	600	Supplies	12,000	0	12,000	0	1,500	(10,500)	
		<i>Function Total</i>	12,000	0	12,000	0	1,500	(10,500)	-87.5%
SITE IMPROVEMENTS									
4200	400	Purch Prop Svcs	8,060	5,812	7,700	1,311	4,400	(3,300)	
		<i>Function Total</i>	8,060	5,812	7,700	1,311	4,400	(3,300)	-42.9%
BUILDING IMPROVEMENTS									
4600	400	Purch Prop Svcs	12,000	11,473	14,100	31,093	12,900	(1,200)	
		<i>Function Total</i>	12,000	11,473	14,100	31,093	12,900	(1,200)	-8.5%
DEBT SERVICE									
5100	800	Other Objects	55,530	48,668	49,000	49,000	49,000	0	
		<i>Function Total</i>	55,530	48,668	49,000	49,000	49,000	0	0.0%
INTERFUND TRANSFERS OUT									
5220	900	Trnsfr to Food Svce Fund	0	7,428	2,783	0	12,000	9,217	
5300	930	Trnsfr to Spec Ed Rsv	0	0	0	0	0	0	
5300	930	Trnsfr to Bldg Maint Rsv	0	0	0	0	0	0	
		<i>Function Total</i>	0	7,428	2,783	0	12,000	9,217	331.2%
SCHOOL TOTAL			5,357,764	5,040,828	5,238,720	5,070,220	5,458,847	220,127	4.2%

Notes:

1. "Func" and "Obj" are federally required accounting designations which refer to "function" and "object". A function might be
2. The "budget" columns represent the adopted budget for the particular line item or group of line items. "Actual" represents
3. The "Bgt Chg" column represents the difference between the proposed budget and the current year's budget. The "% Chg" is

Independent Auditor's Report – Excerpts



PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

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

INDEPENDENT AUDITOR'S REPORT

To the Members of the School Board
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 aggregate remaining fund information of the Norwich School District as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and aggregate remaining fund information of the Norwich School District as of June 30, 2015, and the respective changes in financial position and the respective budgetary comparison for the major fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note I-O to the financial statements, in 2015, the School District changed its method of accounting for pension reporting with the adoption of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* and as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinions are not modified with respect to this matter.

*Norwich School District
Independent Auditor's Report*

Other Matters

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), the Schedule of Funding Progress for Other Postemployment Benefit Plan (page 32), the Schedule of the School District's Proportionate Share of Net Pension Liability (page 33) and the Schedule of School District Contributions (page 34) 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 United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information - Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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 19, 2016

*Plodzik & Sanderson
Professional Association*

EXHIBIT C-1
NORWICH SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2015

	General	Grants	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 901,663	\$ -	\$ 12,252	\$ 913,915
Investments	1,527,784	-	-	1,527,784
Intergovernmental receivable	41,422	34,530	5,382	81,334
Interfund receivable	23,883	-	-	23,883
Prepaid items	1,000	-	-	1,000
Total assets	<u>\$ 2,495,752</u>	<u>\$ 34,530</u>	<u>\$ 17,634</u>	<u>\$ 2,547,916</u>
LIABILITIES				
Accounts payable	\$ 62,446	\$ 345	\$ 5,751	\$ 68,542
Accrued salaries and benefits	4,111	-	-	4,111
Interfund payable	-	23,883	-	23,883
Other	-	-	172	172
Total liabilities	<u>66,557</u>	<u>24,228</u>	<u>5,923</u>	<u>96,708</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	<u>42,566</u>	<u>10,302</u>	<u>-</u>	<u>52,868</u>
FUND BALANCES				
Nonspendable	1,000	-	-	1,000
Restricted	-	-	11,711	11,711
Committed	2,155,907	-	-	2,155,907
Assigned	72,584	-	-	72,584
Unassigned	157,138	-	-	157,138
Total fund balances	<u>2,386,629</u>	<u>-</u>	<u>11,711</u>	<u>2,398,340</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,495,752</u>	<u>\$ 34,530</u>	<u>\$ 17,634</u>	<u>\$ 2,547,916</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, 2015

	General	Grants	Other Governmental Funds	Total Governmental Funds
REVENUES				
Local	\$ 106,216	\$ 345	\$ 29,889	\$ 136,450
State	11,768,816	5,800	6,817	11,781,433
Federal	-	215,883	40,560	256,443
Total revenues	11,875,032	222,028	77,266	12,174,326
EXPENDITURES				
Current:				
Instruction	3,490,848	222,028	92,630	3,805,506
Support services:				
Student	172,831	-	-	172,831
Instructional staff	167,697	-	-	167,697
General administration	27,996	-	-	27,996
Executive administration	230,702	-	-	230,702
School administration	284,471	-	-	284,471
Operation and maintenance of plant	348,467	-	-	348,467
Student transportation	282,636	-	-	282,636
Noninstructional services	-	-	48,112	48,112
Debt service:				
Principal	405,000	-	-	405,000
Interest	3,668	-	-	3,668
Facilities acquisition and construction	17,285	-	-	17,285
Total expenditures	5,431,601	222,028	140,742	5,794,371
Excess (deficiency) of revenues over (under) expenditures	6,443,431	-	(63,476)	6,379,955
OTHER FINANCING SOURCES (USES)				
Transfers in	1,773	-	7,428	9,201
Transfers out	(7,428)	-	(1,773)	(9,201)
Bond issuance	360,000	-	-	360,000
Intergovernmental transfer out	(6,742,850)	-	-	(6,742,850)
Total other financing sources (uses)	(6,388,505)	-	5,655	(6,382,850)
Net change in fund balances	54,926	-	(57,821)	(2,895)
Fund balances, beginning	2,331,703	-	69,532	2,401,235
Fund balances, ending	\$ 2,386,629	\$ -	\$ 11,711	\$ 2,398,340

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, 2015

	Special Revenue Funds			Capital Project Energy Efficiency Project	Total
	Food Service	Medicaid	Other		
ASSETS					
Cash and cash equivalents	\$ 2,565	\$ 6,852	\$ 2,835	\$ -	\$ 12,252
Intergovernmental receivable	607	4,775	-	-	5,382
Total assets	<u>\$ 3,172</u>	<u>\$ 11,627</u>	<u>\$ 2,835</u>	<u>\$ -</u>	<u>\$ 17,634</u>
LIABILITIES					
Accounts payable	\$ 3,000	\$ 2,751	\$ -	\$ -	\$ 5,751
Other	172	-	-	-	172
Total liabilities	<u>3,172</u>	<u>2,751</u>	<u>-</u>	<u>-</u>	<u>5,923</u>
FUND BALANCES					
Restricted	<u>-</u>	<u>8,876</u>	<u>2,835</u>	<u>-</u>	<u>11,711</u>
Total liabilities and fund balances	<u>\$ 3,172</u>	<u>\$ 11,627</u>	<u>\$ 2,835</u>	<u>\$ -</u>	<u>\$ 17,634</u>

Three Prior Years Comparisons

(Provided by VT DOE)

PRELIMINARY

Three Prior Years Comparisons - Format as Provided by AOE

ESTIMATES
ONLY

District: Norwich County: Windsor		T145 Dresden interstate		Property dollar equivalent yield	Homestead tax rate per \$5,000 of assessed value
				9,870	1.00
				11,065	income dollar equivalent yield per 2.0% of household income
Expenditures		FY2014	FY2015	FY2016	FY2017
1.	Budget (local budget, including special programs, full technical center expenditures, and any Act 144 expenditures)	\$11,710,725	\$12,130,556	\$12,055,716	\$11,952,480
2.	plus Sum of separately warned articles passed at town meeting	-	-	-	-
3.	minus Act 144 Expenditures, to be excluded from Education Spending (see worksheet 6 sheet Windsor only)	-	-	-	-
4.	Locally adopted or warned budget	\$11,710,725	\$12,130,556	\$12,055,716	\$11,952,480
5.	plus Obligation to a Regional Technical Center School District if any	-	-	-	-
6.	plus Prior year deficit repayment of deficit	-	-	-	-
7.	Total Budget	\$11,710,725	\$12,130,556	\$12,055,716	\$11,952,480
8.	S.U. assessment (included in local budget) - informational data	-	-	-	-
9.	Prior year deficit reduction (included in expenditure budget) - informational data	-	-	-	-
Revenues					
10.	Offsetting revenues (categorical grants, donations, tuitions, surplus, etc., including local Act 144 tax revenues)	\$1,315,294	\$1,282,966	\$1,112,350	\$1,094,578
11.	plus Capital debt aid for eligible projects pre-existing Act 60	-	-	-	-
12.	minus All Act 144 revenues, including local Act 144 tax revenues (Mechester & Windshield only)	-	-	-	-
13.	Offsetting revenues	\$1,315,294	\$1,282,966	\$1,112,350	\$1,094,578
14.	Education Spending	\$10,395,431	\$10,847,590	\$10,943,366	\$10,857,882
15.	Equalized Pupils	633.24	638.28	634.03	611.84
Education Spending per Equalized Pupil		\$16,416.26	\$16,995.03	\$17,260.01	\$17,746.28
16.	Less ALL net eligible construction costs (or PBI) per equalized pupil	\$1,459.04	\$1,424.97	\$1,516.98	\$1,453
17.	Less share of SpEd costs in excess of \$50,000 for an individual (per equip)	\$10.14	\$31.75	\$29.78	\$16
18.	Less amount of deficit if deficit is SOLELY attributable to tuitions paid to public schools for grades the district does not operate for new students who moved to the district after the budget was passed (per equip)	-	-	-	NA
19.	Less SpEd costs if excess is solely attributable to new SpEd spending if district has 20 or fewer equalized pupils (per equip)	-	-	-	NA
20.	Estimated costs of new students after census period (per equip)	-	-	-	NA
21.	Total tuitions if tuitioning ALL K-12 unless electorate has approved tuitions greater than average announced tuition (per equip)	-	-	-	NA
22.	Less planning costs for merger of small schools (per equip)	-	-	-	NA
23.	Teacher retirement assessment for new members of Vermont State Teachers' Retirement System on or after July 1, 2015 (per equip)	NA	NA	NA	NA
24.	Allowable growth per pupil spending threshold (secs. 37 & 38, Act 66, 2015)	NA	NA	NA	District Threshold \$16,048.00
25.	plus Excess Spending per Equalized Pupil over threshold (if any)	-	-	-	\$16,277.27
26.	Per pupil figure used for calculating District Equalized Tax Rate	\$179.380%	\$183.037%	\$182.472%	NA
27.	District spending adjustment (minimum of 100%)	based on \$9,157	based on \$9,155	based on \$9,459	
Prorating the local tax rate		\$1.6863	\$1.7938	\$1.8065	\$1.6492
28.	Anticipated district equalized homestead tax rate (to be prorated by line 30) [\$16,277.27 ÷ (\$9,870.00 ÷ \$1,000)]	based on \$9.94	based on \$9.98	based on \$9.99	based on \$1.00
29.	Percent of Norwich equalized pupils not in a union school district	100.00%	100.00%	100.00%	100.00%
30.	Portion of district eq homestead rate to be assessed by town (100.00% x \$1.65)	\$1.6863	\$1.7938	\$1.8065	\$1.6492
31.	Common Level of Appraisal (CLA)	97.16%	99.33%	97.82%	95.35%
32.	Portion of actual district homestead rate to be assessed by town (\$1.6492 ÷ 95.35%)	\$1.7356	\$1.8059	\$1.8468	\$1.7296
33.	Anticipated income cap percent (to be prorated by line 30) [\$16,277.27 ÷ \$11,065] x 2.00%	3.23%	3.29%	3.28%	2.94%
34.	Portion of district income cap percent applied by State (100.00% x 2.94%)	3.23%	3.29%	3.28%	2.94%
35.	Percent of equalized pupils at union 1	-	-	-	-
36.		-	-	-	-
37.		-	-	-	-

Following current statute, the Tax Commissioner recommended a property yield of \$9.955 for every \$1.00 of homestead tax per \$100 of equalized property value. The Tax Commissioner also recommended an income yield of \$11,157 for a base income percent of 2.0% and a non-residential tax rate of \$1.538. New and updated data have changed the proposed property yield to \$9.870 and the income yield to \$11,065.

Final figures will be set by the Legislature during the legislative session and approved by the Governor.

The base income percentage cap is 2.0%.

Comparative Data for Cost Effectiveness

(Provided by VT DOE)

Comparative Data for Cost-Effectiveness, FY2017 Report 16 V.S.A. § 165(a)(2)(K)

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/educ/>

FY2015 School Level Data

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

Cohort Rank by Enrollment (1 is largest)
30 out of 31

	School level data	Grades Offered	Enrollment	Total Teachers	Total Administrators	Stu / Tch Ratio	Stu / Admin Ratio	Tchr / Admin Ratio
Randomolph Elementary School		PK - 6	308	23.20	-	13.28	-	-
Marion W Cross School		K - 6	308	23.30	1.00	13.22	308.00	23.30
Vergennes UES #44		PK - 6	317	19.00	1.00	16.68	317.00	19.00
Bristol Elementary School		PK - 6	319	24.60	1.00	12.97	319.00	24.60
Bennington Elementary School		PK - 5	328	17.70	2.00	18.53	164.00	8.85
Averaged SCHOOL cohort data			424.65	30.90	1.40	13.74	302.69	22.02

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.

FY2014 School District Data

Cohort Description: Elementary school district, FY2013 FTE ≥ 300
(11 school districts in cohort)

	School district data (local, union, or joint district)	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 11
Highgate		PK-6	308.28	\$11,482	Current expenditures are an effort to calculate an amount per FTE spent by a district on students enrolled in that district. This figure excludes tuitions and assessments paid to other providers, construction and equipment costs, debt service, adult education, and community service.
Randomolph		K-6	321.87	\$11,228	
Norwich		K-6	328.04	\$12,533	
Newport City		PK-6	335.04	\$11,739	
Brandon		PK-6	373.17	\$10,154	
Cambridge		PK-6	373.80	\$10,715	
Averaged SCHOOL DISTRICT cohort data			472.75	\$11,258	

FY2016 School District Data

LEA ID	School District	Grades offered in School District	School district tax rate			Total municipal tax rate, K-12, consisting of prorated member district rates		
			SchIDist	SchIDist	SchIDist	MUN	MUN	MUN
			Equalized Pupils	Education Spending per Equalized Pupil	Equalized Homestead Ed tax rate	Equalized Homestead Ed tax rate	Common Level of Appraisal	Actual Homestead Ed tax rate
					Use these tax rates to compare town's rates			These tax rates are not comparable due to CLAs
T139	Newport City	PK-6	350.16	12,335.25	1.2910	1.3734	85.16%	1.8127
T123	Middlebury ID #4	PK-6	415.12	14,498.26	1.5174	1.8960	91.48%	1.8431
T204	Swanton	PK-6	529.86	12,789.71	1.3386	1.3681	108.74%	1.2467
T146	Norwich	K-6	834.03	17,260.01	1.8065	1.8065	97.62%	1.8468
T027	Burlington	PK-6	821.18	15,573.21	1.6200	1.7106	102.01%	1.6769
T015	Bennington ID	PK-5	852.15	13,016.20	1.3823	1.3932	91.51%	1.5225

The Legislature has required the Agency 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.



Bike to School Day. Photo by Jen Shepherd.