

**REGIONAL SCHOOL DISTRICT NO. 19
EDWIN O. SMITH HIGH SCHOOL
STORRS, CONNECTICUT**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015**

REGIONAL SCHOOL DISTRICT NO. 19
EDWIN O. SMITH HIGH SCHOOL
STORRS, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2015

PREPARED BY:
THE FINANCE DEPARTMENT

CHERYL A. TRAHAN, SCHOOL BUSINESS MANAGER

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Introductory Section

REGIONAL SCHOOL DISTRICT No. 19

EDWIN O. SMITH HIGH SCHOOL

Ashford, Mansfield and Willington, CT

1235 Storrs Road
Storrs, CT 06268-2287
860-487-1862
Fax: 860-429-0085

Bruce W. Silva
Superintendent

December 15, 2015

To the Honorable Chairman and Members of the Board of Education and
Citizens of Regional District No. 19.

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Regional School District No. 19 for the fiscal year ended June 30, 2015.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Blum, Shapiro & Company, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2015, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, State and Federal mandated "Single Audit" designed to meet the special needs of State and Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of state awards. These reports are available as part of this Comprehensive Annual Financial Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

General Description - The District

The facilities and offices of Regional School District No. 19 are located east of Hartford, Connecticut, in the Town of Mansfield, Connecticut. The District services the Towns of Ashford, Mansfield and Willington. District administrative offices and school are located in Mansfield, where the Superintendent's office is located.

The District's only school, E.O. Smith High School, was owned by the State of Connecticut and had been run by the University of Connecticut since its inception in 1958 through June 30, 1987. By Public Act 84-42, the State Legislature voted to relinquish the school to the Town of Mansfield or the Town of Ashford or both towns providing that one or both towns agreed to pay for the physical rehabilitation of the school. The Town of Willington subsequently joined the District in 1993.

The University of Connecticut signed an agreement with Mansfield and Ashford which required the University to cause the State Treasurer to execute and deliver the deed to the school to the towns on July 1, 1987. When the State deeded the school, Mansfield and Ashford assumed the remaining indebtedness on the State's Bonds which were originally issued to finance the school.

Mansfield and Ashford voters agreed to the financing of the project which included the renovation of the school. Mansfield contributed seventy-five percent (75%) and Ashford contributed twenty-five percent (25%) of the total funding.

On February 11, 1986, the electorate of both towns voted to establish a new regional school district. On July 1, 1987, Regional School District No. 19 became the owner of the land and buildings of E.O. Smith High School, pursuant to the agreement. The organizational meeting of the Regional Board of Education was held on April 2, 1986. On November 2, 1993, the electors of Ashford, Mansfield and Willington voted to include the Town of Willington into the District.

The Region presently serves the public school population with the member towns in grades 9 through 12. A full range of educational opportunities is offered, including an agricultural education program. A \$31 million expansion and renovation project was completed in 2002 resulting in a modern attractive facility.

In May, 2008, the District completed the expansion and renovation of the vacant Reynolds School on Depot Road and opened a new campus, E. O. Smith High School at the Depot Campus. This campus was designed to provide a 'non-traditional educational experience' for students who have demonstrated the need for a smaller and more personal instructional setting. The course of studies includes all requirements for graduation established by the Regional School District No. 19 Board of Education. Through the use of a very different teaching and curricular model, students are submersed in a true "community of learners" that has its roots in the "new" three R's of the small school movement - 'Relationships, Relevance and Rigor.' The Depot Campus completed its first full school year in June, 2009 and continues to have very positive results. Since opening, enrollment has increased from 19 students in 2008/2009 to 28 students in 2014-2015.

The District presently serves all of the public school population within the member towns in Grades 9 through 12. The total enrollment for the school year 2014-2015 was 1,219. A full range of educational opportunities is offered, including a vocational agriculture program.

The annual budget serves as the foundation for the Regional School District No. 19's financial planning and control. It is the policy of the Board of Education to ask the Superintendent to direct the preparation of the budget and to submit it to the Board for its tentative approval and for later public hearing and approval. The Superintendent is asked to confer with the school staff on budgetary needs, as well as to consider priorities that have been determined by the Board.

General Description - Town of Ashford

The Town of Ashford covers an area of 40.3 square miles and is located 32 miles east of Hartford and 45 miles west of Providence. To the north is Union, Eastford to the east, Willington to the west, and Mansfield and Chaplin to the south. The area was settled in approximately 1710 and incorporated as the forty-fourth town in October, 1714. The Town was probably named for Ashford in Kent, England.

The Town was originally part of the Wabbaquasset country conveyed to Major Fitch by Owaneco, the son of Uncas, chief of the Mohegans. The Town was the crossroads of the Old Connecticut Path, an old Indian trail over the hills near the headwaters of the streams where fording was a minor problem. The Town was not developed to any extent until state highways 44 and 84 were developed. Route 89 serves as a connector between routes 44 and 84.

The Town has one elementary school - the Ashford Elementary School (K-8). Grades 9-12 are served by the E.O. Smith High School (Regional School District No. 19) adjacent to the campus of the University of Connecticut in Mansfield. The District provides transportation for students. For advanced education the Town is located near the University of Connecticut, as well as Eastern Connecticut State University in Willimantic, the Quinebaug Valley Community College in Danielson, and the Manchester Community College in Manchester.

The Town is organized under a Selectman, Board of Finance, Town Meeting form of government with the Town Meeting acting as the legislative body of the Town. The First Selectman is the chief executive officer of the Town and is responsible for municipal operations. The First Selectman and two other selectmen are elected for two year terms. The Board of Selectmen makes most appointments and fills most vacancies with the exception of the Board of Finance and Board of Education, which are elected offices.

General Description - Town of Mansfield

The Town of Mansfield encompasses approximately 45.2 square miles. The Town is bounded on the east by Chaplin, on the north by Willington and Ashford, on the south by Windham, and on the west by Coventry. The Town of Mansfield was first settled in 1692 as part of Windham. In October, 1702, the Connecticut General Assembly granted a charter of incorporation to the Town of Mansfield which was formed out of Windham.

The Town is served by two major highways: the Middle Post Road and Turnpike (Route 44) and the Norwich-Tolland Turnpike (Route 195). Route 195 connects to the North with Interstate 84 for east-west access to Hartford and Boston.

The Town operates under the provisions of its Charter and the General Statutes of the State of Connecticut. Since 1970, when the Town established the Town Manager/Council form of government, the legislative power of the Town was vested in a nine member council, elected at large for terms of two years, and the Town Meeting. The Mayor is elected by majority vote of the council. The Town Manager, who is the chief executive officer, manages the operations of the Town. The Town Council is responsible for presenting the fiscal operating budgets to the Town Meeting for approval. The Board of Education is responsible for the operation of the elementary school system.

The Town and the immediate region is the beneficiary of the University of Connecticut being located in Mansfield. The University is a land grant University that was founded in 1881 as Storrs Agricultural School. With over 4,000 employees in Storrs, the University is the major employer for the Town and the surrounding region.

General Description - Town of Willington

The Town of Willington encompasses approximately 34.8 square miles. The Town is bounded on the east by Ashford, on the north by Stafford and Union, on the south by Mansfield, on the west by Ellington and Tolland. The Town of Willington was first settled in 1717. In 1727, the Connecticut General Assembly granted a charter of incorporation to the Town of Willington.

The Town is served by five major highways: Interstate 84 and state routes 32, 44, 74 and 320.

The Town operates under the provisions of the General Statutes of the State of Connecticut. The Board of Selectmen, elected to two year terms, consists of three members and functions as the executive authority of the Town. The First Selectman, who is the chief executive officer, oversees the operations of the Town. The Board of Finance, elected to six year terms, consists of six members and they are responsible for presenting an operating budget to the Town Meeting for approval. The Board of Education, elected to four year terms, consists of seven members and is responsible for the operation of the elementary and middle school system.

Local Economy

Because the District is located in the Town of Mansfield, the home of the University of Connecticut, the local economy tends to remain more stable than other areas in the State and Nation. With over 4,000 employees, the University is the major employer for the member towns. This has a positive effect on employment rates regardless of the business cycle. The area is also seeing significant growth with the development of Storrs Center, a mixed-use town center and main street corridor at the crossroads of the Town of Mansfield and the University of Connecticut.

Long-Term Financial Planning

The District prepares a five-year expenditure and revenue forecast and a five year capital improvement plan. Both documents are designed to assist management and policy decision makers in guiding the school.

Major Initiatives

In 2011, Regional School District No. 19 entered into an agreement with the Board of Education of the Town of Columbia to provide up to thirty Columbia students per year who have completed grade eight with a high school education. Columbia pays Region 19 tuition on a per student basis. Students can participate in the regular education program or the agricultural education program. In addition Region 19 offers special education services to Columbia students. As enrollment has declined steadily since 2005/2006, accepting Columbia students has benefited the Region by reducing per student costs and therefore the cost to member towns. In 2015, 128 Columbia students were enrolled in Region 19.

In 2012, Region 19 completed a major athletic facilities and track upgrade. Many improvements were made including resurfacing the track, field and tennis courts. The addition of bleachers was also a major improvement to the athletic program. In 2014, the addition of outdoor lighting further improved and expanded the use of the facilities.

Relevant Financial Policies

The District's financial policies have been applied consistently with the prior year and had no notable current year effect on the financial statements. There have not been any developments at the State level that impacted the current year financial statements.

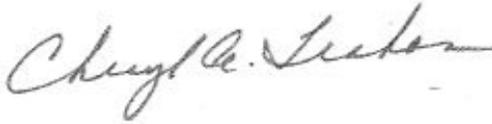
Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Regional School District No. 19 for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2014. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administration department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the chairman and the board of education for their unfailing support for maintaining the highest standards of professionalism in the management of the Regional School District No. 19's finances.

Respectfully submitted,

A handwritten signature in cursive script, reading "Cheryl A. Trahan".

Cheryl A. Trahan
School Business Manager

REGIONAL SCHOOL DISTRICT NO. 19

FINANCIAL MANAGEMENT GOALS

Preface

The Fiscal Performance Goals adopted by the Board on May 3, 1990, represent an initial effort to establish written policies for guiding the Board's financial management practices. These goals are not intended in any way to limit the authority of the Board to act, but rather to form a framework within which to make financial decisions and to monitor financial activity in a consistent manner. The adoption of these goals will not restrict the Board's ability and responsibility to respond to emergency or educational delivery needs above or beyond the suggested limitations herein established.

Financial Reporting Performance Goals

A policy of full and open public disclosure of all financial activity will be adhered to.

Records will be maintained on a basis consistent with accepted municipal accounting standards.

Regular monthly, quarterly and annual financial reports presenting a summary of financial activity by major types of funds and programs will be prepared.

The Comprehensive Annual Financial Report will be prepared in conformity with generally accepted governmental accounting principles and financial reporting practices.

An independent public accounting firm will be employed to perform an annual audit of all funds and grant programs, and the annual audit report will be made available to the general public, bond and financial consultants, and other interested citizens and organizations. The audit will be completed and submitted to the Board within one hundred twenty (120) days of the close of the fiscal year.

Revenue Performance Goals

Annual revenues will be estimated on an objective and reasonable basis. The Superintendent will develop a method to project revenues on a multi-year basis.

One time or special purpose revenues will be used only for capital expenditures or for expenditures required by the revenue and not to subsidize recurring personnel, operation and maintenance costs.

Tuition fees and other fee charges will be annually re-evaluated at a level related to the cost of providing the service.

Operating Expenditures Performance Goals

The Superintendent will propose and the Board of Education, after review, will adopt and maintain a balanced budget in which expenditures will not be allowed to exceed reasonable estimated resources and revenues.

All current operation and maintenance expenses will be paid from current revenue sources.

The operating budget will provide for the adequate maintenance of capital assets and equipment.

The budget will provide for adequate funding of all employee benefit programs and retirement systems.

A budgetary control system will be maintained to enable adherence to the adopted budget. This will include a recordkeeping system to be adhered to by all programs and activities receiving annual Board appropriations.

Operating Expenditures Performance Goals (Continued)

A system of regular monthly fiscal reports comparing actual revenues and expenditures to budgeted amounts will be prepared and maintained. An effective risk management program to minimize losses and reduce costs will be developed and implemented. The Superintendent will ensure that adequate insurance programs are in place, including unemployment and workers' compensation insurance.

Delivery of services by other public and private organizations will be encouraged whenever and wherever greater efficiency and effectiveness can be expected. Technology and productivity advancements that will help reduce or avoid increasing personnel costs will be developed and used in order to control personnel costs as a proportion of the total budget, to use available resources more productively and creatively, and to avoid duplication of effort and resources.

A three-year operating budget forecast will be prepared annually to assist the Board in advance planning.

The budget will be considered the spending plan for the year. The Superintendent is authorized to make commitments in accordance with budget appropriations. The Superintendent is further authorized to make budget transfers between budget activities (programs) of up to \$1,000. For transfers in excess of \$1,000, the Superintendent will seek Board approval.

Reserve Performance Goals

A contingency account will be established annually in the operating budget to:

- Provide for settlement of pending labor contract negotiations;

- Provide for temporary funding of unforeseen needs of an emergency or nonrecurring nature;

- Permit orderly budgetary adjustments when revenues are lost through the action of other governmental bodies;

- Provide the local match for public or private grants;

- Meet unexpected small increases in educational delivery costs; and

- Provide for self-insurance for items not covered by insurance.

The contingency account will be budgeted at a level sufficient to provide for settlement of pending labor contract negotiations plus an amount not to exceed one percent (1%) of the proposed budget. The Board's budget will be amended at the time such contingency funds are committed.

Capital Improvements Performance Goals

A five-year Capital Improvements Program will be developed and will be coordinated with the operating budget in order to maintain a reasonably stable total tuition rate.

Capital improvements will be based on long-range projected needs rather than on immediate needs, in order to minimize future maintenance, replacement and capital costs.

A reserve fund for capital and nonrecurring expenditures will be established, and will be adequately funded each year by a transfer from the general budget and by unanticipated one-time revenues.

Before submission to the Board of Education, the Superintendent will identify the estimated costs and potential funding sources for each capital project proposed. Future operating costs associated with a proposed capital improvement will be estimated before a decision is made to implement a project.

Federal, State and other intergovernmental and private funding sources shall be sought out and used as available to assist in financing capital improvements.

Debt Performance Goals

Long-term debt will be limited to those capital improvements that should not be financed from current revenues.

The maturity date for any debt will not exceed the reasonably expected useful life of the project so financed.

The total direct general obligation debt shall not exceed three percent (3%) of the full assessment value of all taxable property within the Region.

As a means of further minimizing the impact of debt obligations on the Region taxpayers:

Long-term net debt will not exceed \$500 per capita; and

These limitations will not apply to any debt incurred for emergency.

The issuance of budget and revenue anticipation notes will be avoided.

An official statement will be prepared to be used in connection with all sales of bonds and notes.

Good relations will be maintained with financial and bond rating agencies, and a policy of full and open disclosure on every financial report and bond prospectus will be followed.

Investment Performance Goals

A cash flow analysis of all funds will be developed on a regular basis. Collections, deposits and disbursements of all funds will be scheduled in such a way as to ensure maximum cash availability.

Where permitted by law, cash from several separate funds and sources will be pooled to maximize investment yields. Interest will be credited to the general fund except where prohibited by law or where the source of the cash is from the sale of debt, in which case the interest income will be transferred to the capital nonrecurring fund to finance future capital projects.

Investment policy will be consistent with State law and will provide for security of principal as well as needed liquidity.

REGIONAL SCHOOL DISTRICT NO. 19

LIST OF PRINCIPAL OFFICIALS

BOARD OF EDUCATION

Jim Mark, Chairperson
Janice Chamberlain
Casey Cobb
Robert Jellen
Frank Krasicki
Elizabeth McCosh-Lillie
Timothy P. Nolan Sr.
Elizabeth Peczuh
Ronald Schurin
Michael Sibiga
Nancy Silander
David Tharp

Bruce W. Silva
Superintendent

Louis DeLoreto
Principal

Karen Paruolo
Assistant Principal

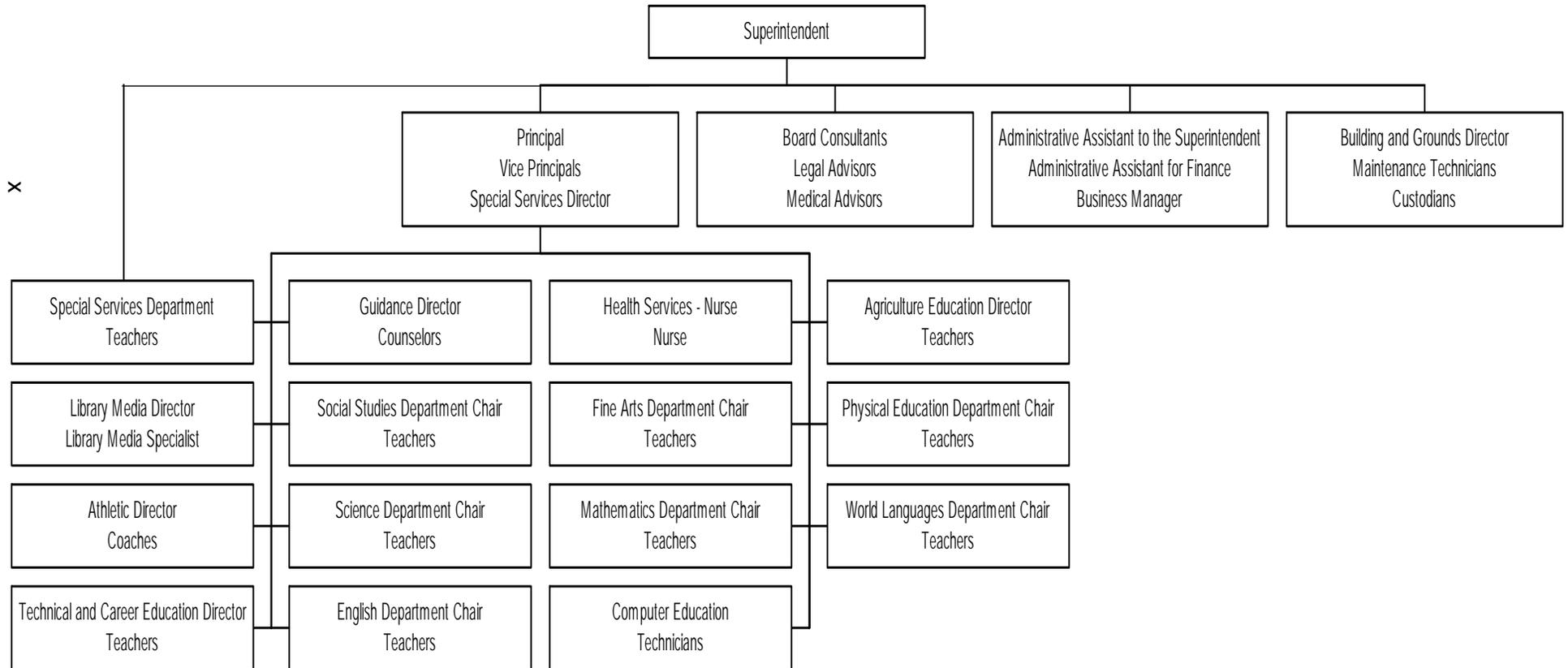
David Tanner
Assistant Principal

Cheryl A. Trahan
Director of Finance

REGIONAL SCHOOL DISTRICT NO.19

Table of Organization

Board of Education





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Regional School District No. 19
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

Financial Section

BlumShapiro

Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Board of Education
Regional School District No. 19

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 Regional School District No. 19 as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Regional School District No. 19'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.

Auditors' 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 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 auditors' 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 auditors consider 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 Regional School District No. 19 as of June 30, 2015 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 9 to the financial statements, during the fiscal year ended June 30, 2015, the District adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The net position of the District has been restated to recognize the net pension liability required in implementing both GASB No. 68 and GASB No. 71. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11 and the pension schedules on pages 44 through 46 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, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Regional School District No. 19's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Regional School District No. 19 as of and for the year ended June 30, 2014 (not presented herein), and have issued our report thereon dated November 17, 2014, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The accompanying General Fund balance sheet as of June 30, 2014 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2014 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2014 basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund balance sheet is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2014.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2015 on our consideration of the Regional School District No. 19's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Regional School District No. 19's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 15, 2015

REGIONAL SCHOOL DISTRICT No. 19

EDWIN O. SMITH HIGH SCHOOL

Ashford, Mansfield and Willington, CT

Bruce W. Silva
Superintendent

1235 Storrs Road
Storrs, CT 06268-2287
860-487-1862
Fax: 860-429-0085

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2015

Management of the Regional School District No. 19 (the District), offers readers of these financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$34,723,304 (*net position*). Of this amount, \$3,861,170 (*unrestricted net position*) may be used to meet the District's ongoing obligations to citizens and creditors.
- The District's total net position increased by \$54,796 primarily due to a decrease in long term-debt from bond principal payments, offset by depreciation in excess of capital asset additions.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$1,727,192, a decrease of \$62,030 in comparison with the prior year. Unassigned fund balance at June 30, 2015 was (\$33,275), with an unassigned fund balance in the capital projects fund of (\$42,575). The negative unassigned fund balance in the capital projects fund is primarily due to the Depot Campus project, which the District is paying off over time.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$9,300. State law prohibits Regional School Districts from accumulating a fund balance in the General Fund.
- The District's total long-term obligations decreased by \$2,374,930 (25%) during the current fiscal year.

Overview of the Basic Financial Statements

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The government-wide financial statements can be found on Exhibits I and II.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

The basic governmental fund financial statements can be found on Exhibits III and IV.

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

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

The District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Debt Service Fund, Capital Projects Fund and the Other Operating Fund, which are considered to be major funds. Nonmajor governmental funds are combined into a single, aggregated presentation on the governmental statements. Individual fund data for each nonmajor governmental fund is provided in the form of combining statements later in the report. At this time there is only one nonmajor governmental fund, the education grants fund; therefore, there are no combining statements for this fiscal year.

The District adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget (Exhibit V).

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on Exhibits VI and VII.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found after Exhibit VII.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to basic financial statements.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of the District, assets exceeded liabilities by \$34,723,304 at the close of the most recent fiscal year.

The largest portion of the District's net position (88.8%) reflects its investment in capital assets (e.g., land, buildings, improvements other than buildings and equipment) less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide public education to eligible citizens living within the district; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**REGIONAL SCHOOL DISTRICT NO. 19
NET POSITION**

	<u>2015</u>	<u>2014</u>
Current and other assets	\$ 6,539,631	\$ 7,719,623
Capital assets	<u>36,816,939</u>	<u>37,460,213</u>
Total assets	<u>43,356,570</u>	<u>45,179,836</u>
Deferred outflows of resources	<u>333,284</u>	<u>360,550</u>
Long-term liabilities outstanding	7,029,295	9,404,225
Other liabilities	<u>1,686,683</u>	<u>1,467,653</u>
Total liabilities	<u>8,715,978</u>	<u>10,871,878</u>
Deferred inflow related to net difference between projected and actual earnings on pension plan investments	<u>250,572</u>	
Net position:		
Net investment in capital assets	30,862,134	29,314,181
Unrestricted	<u>3,861,170</u>	<u>5,354,327</u>
Total Net Position	<u>\$ 34,723,304</u>	<u>\$ 34,668,508</u>

The remaining balance of unrestricted net position (\$3,861,170) may be used to meet the District's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the District is able to report positive balances in all categories of net position.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Governmental activities. The District's net position increased by \$54,796 during the current fiscal year. This was the result of a decrease in long-term debt of \$2,374,930 primarily due to principal payments of \$2,065,000; offset by depreciation in excess of capital asset additions (\$642,320), and a reduction in current assets of (\$1,179,992), primarily due from the State related to the School Building Grants.

	<u>2015</u>	<u>2014</u>
<u>Revenues:</u>		
Program revenues:		
Charges for services	\$ 3,168,548	\$ 2,959,413
Operating grants and contributions	3,073,599	3,640,687
Capital grants and contributions	554,594	394,118
General revenues:		
Assessment to member towns	17,725,001	17,725,000
Investment income	<u>2,758</u>	<u>4,491</u>
 Total Revenues	 <u>24,524,500</u>	 <u>24,723,709</u>
<u>Expenses:</u>		
Instructional programs	15,017,738	15,136,721
Guidance services	1,205,594	1,166,234
Curriculum development	281,629	311,222
Educational media	195,160	269,753
General administration	5,382,036	5,015,412
Student activities	823,675	768,600
Transportation	1,293,521	1,153,007
Interest expense	<u>270,351</u>	<u>321,316</u>
 Total Expenses	 <u>24,469,704</u>	 <u>24,142,265</u>
 Change in Net Position	 54,796	 581,444
 Net Position - Beginning of Year	 <u>34,668,508</u>	 <u>34,087,064</u>
 Net Position - End of Year	 <u>\$ 34,723,304</u>	 <u>\$ 34,668,508</u>

The significant changes in revenues were as follows:

Charges for services increased by \$209,135 primarily due to the regular tuition rate and enrollment increase (\$473,395). There was an overall decrease in Special Education and Vo-Ag enrollment (\$250,774). Operating grants and contributions decreased by \$567,088. This decrease was primarily due to the decrease in teacher's retirement funding. Capital grants and contributions increased by \$160,476 due to the receipt of the Athletic Field grant (\$206,250), the PEGPEITA (IT) grant (\$72,626) and elimination of the Vo-Ag Equipment grant (\$107,143). The assessment to member towns remained flat.

The significant changes in expenses were as follows:

The decrease in expenses for instructional programs and support services of \$183,809 was primarily due to the following:

- \$82,234 reduction in computer and laptop cart purchased made using grant funds in the prior year.
- \$50,701 reduction in the use of substitutes
- \$30,451 reduction in private school tuition due to fewer outplacements.
- \$29,454 reduction in replacement furniture - media education purchased furniture in the prior year. There were no current year furniture purchases.

The increase in General Administration of \$366,624 was primarily due to contracted salary increases and benefits. Transportation reflects a \$140,514 increase due summer school transport. The District realized a reduction in interest expense this year (\$50,965) due to scheduled principal payments.

For the other functions, increases and decreases in expenses were reflective of demand for services.

Financial Analysis of the District's Funds

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

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$1,727,192, a decrease of \$62,030 in comparison with the prior year. The unassigned fund balance amount was (\$33,275). The remainder of fund balance is not available for new or additional appropriations because it is 1) restricted for a specific purpose by an external source (\$1,160,494), 2) committed to be used for a specific purpose as determined by the Board of Education (\$547,820), primarily capital projects and special education costs) or 3) assigned to be used to liquidate prior year purchase orders (\$52,153).

The General Fund is the operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$9,300. State Law provides that any unassigned fund balance in the General Fund must be returned to the member towns. The Regional Board accomplishes this by reducing member town assessments in subsequent years.

The fund balance of the District's General Fund decreased by \$38,220 during the current fiscal year. The key factor is a decrease in the open encumbrances at yearend from \$94,408 at June 30, 2014 to \$52,153 at June 30, 2015.

The debt service fund has a total fund balance of \$1,142,766, all of which is restricted for the payment of debt service. The net increase in fund balance during the current year in the debt service fund was \$77,245. Transfers and State revenues exceeded debt service payments for the year.

The capital projects fund has a total fund balance of (\$42,575). This deficit fund balance is reflective of the Depot Campus project which is being funded internally over multiple years. The net increase in fund balance during the year was \$71,130 as project funding exceeded expenditures.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget can be briefly summarized as follows:

- \$119,210 increase in the Transfer Out to Capital to fund the Auditorium/Ag-Ed Facility Study (\$51,000), Special Education Van (\$53,210) and IT needs (\$15,000).
- \$188,345 decrease in special education instruction as these costs were covered by the special education reserve account
- \$86,871 increase in special education transportation services related to summer school transportation.
- \$74,953 increase in legal services for ongoing litigation.
- \$54,419 increase in central services due to an increase in the general liability insurance and advertising expense.
- \$50,119 decrease in regular transportation costs for the town of Mansfield related to change in contract and town of Willington related to a reduction in diesel fuel costs.

Revenues were slightly less than budgetary estimates due to a decrease in expected tuition revenue. Total expenditures were in line with budgetary estimates. Total expenditures did not exceed the legally appropriated budget for the year. All of the above amounts were transfers between accounts.

The fund balance of the District's General Fund decreased by \$38,220 during the current fiscal year. The key factor is a decrease in the open encumbrances at yearend from \$94,408 at June 30, 2014 to \$52,153 at June 30, 2015.

Capital Assets and Debt Administration

Capital assets. The District's investment in capital assets for its governmental activities as of June 30, 2015, amounts to \$36,816,939 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements other than buildings and equipment. The District's net additions in capital assets for the current fiscal year were \$647,764. This was offset by depreciation expense of \$1,290,084. The District's investment in capital assets decreased from \$37,460,213 to \$36,816,939 or by \$643,274.

The significant capital assets activity for the year was net asset additions of \$647,764 mainly for athletic field lighting (\$254,683), surveillance cameras (\$97,486), bleacher renovations (\$82,582), Vo-Ag equipment (\$86,645), the main lobby wall (\$38,986) and smaller miscellaneous equipment (\$50,417), offset by depreciation expense of \$1,248,241.

**REGIONAL SCHOOL DISTRICT NO. 19
CAPITAL ASSETS - NET**

	2015	2014
Land	\$ 858,508	\$ 858,508
Construction in progress	70,290	60,184
Buildings	29,738,743	30,575,020
Leasehold improvements	2,227,884	2,317,315
Improvements other than buildings	2,811,886	2,711,718
Equipment	1,109,628	937,468
Total	\$ 36,816,939	\$ 37,460,213

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Additional information on the District's capital assets can be found in Note 3B.

Long-term debt. At the end of the current fiscal year, the District had total bonded debt outstanding of \$6,005,000. The entire amount is backed by the full faith and credit of the member towns of Ashford, Mansfield and Willington.

	Governmental Activities	
	2015	2014
General obligation bonds and related liabilities	\$ 6,065,805	\$ 8,146,032
Compensated absences	141,301	123,058
Net pension liability	782,580	1,094,493
Net OPEB obligation	39,609	40,642
Total	<u>\$ 7,029,295</u>	<u>\$ 9,404,225</u>

The District's total long-term liabilities decreased by \$2,374,930 (20%) during the current fiscal year. The key factor in this decrease was scheduled annual principal payments of \$2,065,000.

The District maintains an "Aa3" rating from Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a Regional School District may issue to 2.5 times total tax collections including interest and lien fees and the tax relief for elderly freeze grant of the member towns. The current debt limitation for the District is \$107,799,957, which is significantly in excess of the District's outstanding general obligation debt.

Additional information on the District's long-term debt can be found in Note 3D.

Economic Factors and Next Year's Budgets and Rates

The District's only school is E.O. Smith High School, located on two campuses. The District and its member towns is the beneficiary of the University of Connecticut being located in Mansfield. With over 4,500 employees, the University is the major employer for the member towns. This has had a positive effect on employment rates regardless of the business cycle. The area is also seeing significant growth with the development of Storrs Center, a mixed-use town center and main street corridor at the crossroads of the Town of Mansfield and the University of Connecticut, and at the location of the District's main campus.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

The following table presents unemployment rates for the member towns, the Hartford Labor Market, the State and the United States.

2015 Monthly

<u>Yearly Average</u>	<u>Town of Ashford</u>	<u>Town of Mansfield</u>	<u>Town of Willington</u>	<u>Hartford Labor Market</u>	<u>State of Connecticut</u>	<u>United States</u>
2009	6.5	6.0	6.0	8.2	8.2	9.3
2010	8.3	7.5	6.8	9.4	9.3	9.6
2011	8.2	7.7	6.8	9.0	8.9	8.9
2012	8.1	7.5	6.4	8.3	8.3	8.1
2013	7.2	7.2	5.5	7.8	7.8	7.4
2014	5.5	6.2	5.2	6.6	6.3	5.6
January	5.7	5.9	5.8	6.8	6.3	5.7
February	5.5	5.5	5.5	6.8	6.4	5.5
March	5.2	5.1	5.3	6.5	6.4	5.5
April	4.4	4.5	4.3	5.8	6.2	5.4
May	4.5	5.5	3.7	5.5	6.0	5.5
June	4.8	5.8	3.9	5.4	5.7	5.3

The above factors were considered in preparing the District's budget for the 2016 fiscal year.

The budget for fiscal year 2016 was adopted on April 7, 2015. This budget required an increase to the member towns. The increases were: Ashford (\$26,174) (0.74%), Mansfield \$142,229 or 1.42%, and Willington \$42,177 or 1.02%.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the School Business Manager, Cheryl A. Trahan, Town of Mansfield, 4 South Eagleville Road, Mansfield, CT 06268.

Basic Financial Statements

REGIONAL SCHOOL DISTRICT NO. 19
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities
Assets:	
Cash and cash equivalents	\$ 2,985,208
Receivables:	
Accounts	44,162
Intergovernmental	3,506,396
Due from Student Activities Fund	3,865
Capital assets not being depreciated	928,798
Capital assets being depreciated (net of accumulated depreciation)	<u>35,888,141</u>
Total assets	<u>43,356,570</u>
Deferred Outflows of Resources:	
Deferred contribution subsequent to the measurement date	222,284
Deferred charge on refunding	<u>111,000</u>
Total deferred outflows of resources	<u>333,284</u>
Liabilities:	
Accounts payable	360,702
Accrued liabilities	1,319,758
Unearned revenue	6,223
Noncurrent liabilities:	
Due within one year	2,058,260
Due in more than one year	<u>4,971,035</u>
Total liabilities	<u>8,715,978</u>
Deferred Inflows of Resources:	
Deferred inflow related to net difference between projected and actual earnings on pension plan investments	<u>250,572</u>
Net Position:	
Net investment in capital assets	30,862,134
Unrestricted	<u>3,861,170</u>
Total Net Position	<u>\$ 34,723,304</u>

The accompanying notes are an integral part of the financial statements

**REGIONAL SCHOOL DISTRICT NO. 19
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net Expenses and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Total Governmental Activities</u>
Governmental activities:					
Instructional programs	\$ 15,017,738	\$ 3,168,548	\$ 2,851,505	\$ 365,990	\$ (8,631,695)
Guidance services	1,205,594				(1,205,594)
Curriculum development	281,629		92,370		(189,259)
Educational media	195,160				(195,160)
General administration	5,382,036			188,604	(5,193,432)
Student activities	823,675				(823,675)
Transportation	1,293,521		129,724		(1,163,797)
Interest expense	270,351				(270,351)
Total Governmental Activities	<u>\$ 24,469,704</u>	<u>\$ 3,168,548</u>	<u>\$ 3,073,599</u>	<u>\$ 554,594</u>	<u>(17,672,963)</u>
General revenues:					
Assessment to member towns					17,725,001
Investment income					<u>2,758</u>
Total general revenues					<u>17,727,759</u>
Change in net position					54,796
Net Position at Beginning of Year, as Restated					<u>34,668,508</u>
Net Position at End of Year					<u>\$ 34,723,304</u>

The accompany notes are an integral part of the financial statements

REGIONAL SCHOOL DISTRICT NO. 19
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Other Operating Fund</u>	<u>Nonmajor Governmental Fund Education Grants Fund</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 1,314,200	\$ 1,142,766	\$	\$ 528,242	\$	\$ 2,985,208
Receivables:						
Accounts	44,162					44,162
Intergovernmental			342,113		31,187	373,300
Due from other funds	298,700					298,700
Total Assets	<u>\$ 1,657,062</u>	<u>\$ 1,142,766</u>	<u>\$ 342,113</u>	<u>\$ 528,242</u>	<u>\$ 31,187</u>	<u>\$ 3,701,370</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts and other payables	\$ 238,834	\$	\$ 113,547	\$	\$ 1,181	\$ 353,562
Accrued liabilities	1,319,558					1,319,558
Due to other funds			270,721		24,114	294,835
Unearned revenue			420		5,803	6,223
Total liabilities	<u>1,558,392</u>	<u>-</u>	<u>384,688</u>	<u>-</u>	<u>31,098</u>	<u>1,974,178</u>
Fund balances:						
Restricted		1,142,766		17,639	89	1,160,494
Committed	37,217			510,603		547,820
Assigned	52,153					52,153
Unassigned	9,300		(42,575)			(33,275)
Total fund balances	<u>98,670</u>	<u>1,142,766</u>	<u>(42,575)</u>	<u>528,242</u>	<u>89</u>	<u>1,727,192</u>
Total Liabilities and Fund Balances	<u>\$ 1,657,062</u>	<u>\$ 1,142,766</u>	<u>\$ 342,113</u>	<u>\$ 528,242</u>	<u>\$ 31,187</u>	<u>\$ 3,701,370</u>

REGIONAL SCHOOL DISTRICT NO. 19
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2015

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position:

Amounts reported for governmental activities in the statement of net position (Exhibit I) are different because of the following:

Fund balances - total governmental funds	\$	1,727,192
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental capital assets	\$	54,141,989	
Less accumulated depreciation		<u>(17,325,050)</u>	
Net capital assets			36,816,939

Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:

Deferred outflows related to district contributions subsequent to the measurement date		222,284
Receivable from the state for school construction projects		3,133,096

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Net OPEB obligation		(39,609)
Net pension liability		(782,580)
Deferred inflow related to net difference between projected and actual earnings on pension plan investments		(250,572)
Bonds and notes payable		(6,005,000)
Interest payable on bonds		(7,340)
Compensated absences		(141,301)
Deferred charge on refunding		111,000
Bond premium		<u>(60,805)</u>

Net Position of Governmental Activities (Exhibit I)	\$	<u><u>34,723,304</u></u>
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The notes are an integral part of the financial statements

REGIONAL SCHOOL DISTRICT NO. 19
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	General Fund	Debt Service Fund	Capital Projects Fund	Other Operating Fund	Nonmajor Governmental Fund Education Grants Fund	Total Governmental Funds
Revenues:						
Assessment to member towns	\$ 17,725,001	\$	\$	\$	\$	\$ 17,725,001
Intergovernmental	2,259,110	1,528,083	365,990	418,101	367,905	4,939,189
Charges for services	2,232,485			935,899		3,168,384
Investment income	2,758					2,758
Other	5,797			22,850		28,647
Total revenues	<u>22,225,151</u>	<u>1,528,083</u>	<u>365,990</u>	<u>1,376,850</u>	<u>367,905</u>	<u>25,863,979</u>
Expenditures:						
Current:						
Instructional programs	9,647,691			1,601,035	367,905	11,616,631
Guidance services	982,011					982,011
Curriculum development	93,550					93,550
Educational media	195,160					195,160
General administration	3,415,622					3,415,622
Student activities	815,293					815,293
Transportation	1,291,143					1,291,143
Employee benefits	4,526,691					4,526,691
Debt service		2,300,838				2,300,838
Capital outlay			689,070			689,070
Total expenditures	<u>20,967,161</u>	<u>2,300,838</u>	<u>689,070</u>	<u>1,601,035</u>	<u>367,905</u>	<u>25,926,009</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,257,990</u>	<u>(772,755)</u>	<u>(323,080)</u>	<u>(224,185)</u>	<u>-</u>	<u>(62,030)</u>
Other Financing Sources (Uses):						
Transfers in		900,000	394,210	52,000		1,346,210
Transfers out	<u>(1,296,210)</u>	<u>(50,000)</u>				<u>(1,346,210)</u>
Net other financing sources (uses)	<u>(1,296,210)</u>	<u>850,000</u>	<u>394,210</u>	<u>52,000</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(38,220)	77,245	71,130	(172,185)	-	(62,030)
Fund Balances at Beginning of Year	<u>136,890</u>	<u>1,065,521</u>	<u>(113,705)</u>	<u>700,427</u>	<u>89</u>	<u>1,789,222</u>
Fund Balances at End of Year	<u>\$ 98,670</u>	<u>\$ 1,142,766</u>	<u>\$ (42,575)</u>	<u>\$ 528,242</u>	<u>\$ 89</u>	<u>\$ 1,727,192</u>

REGIONAL SCHOOL DISTRICT NO. 19
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because:

Net change in fund balances - total governmental funds (Exhibit IV)	\$	(62,030)
---	----	----------

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay		647,764
Depreciation expense		(1,290,084)

The statement of activities reports losses arising from the trade-in or disposal of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in or disposal of capital assets.		(954)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

School building grant receipts		(1,339,479)
--------------------------------	--	-------------

Change in pension liabilities:

Change in net pension liability		311,913
Change in deferred outflow related to district contributions subsequent to the measurement date		9,734

The issuance of long-term debt (e.g., bonds, leases) 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. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized and deferred in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Bond principal payments		2,065,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Compensated absences		(18,243)
Net OPEB obligation		1,033
Accrued interest		2,487
Amortization of deferred charge on refunding		(37,000)
Amortization of premiums		15,227
Change in deferred inflows related to net difference between projected and actual earnings on pension plan investments		(250,572)

Change in Net Position of Governmental Activities (Exhibit II)	\$	<u>54,796</u>
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The accompanying notes are an integral part of the financial statements

**REGIONAL SCHOOL DISTRICT NO. 19
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Assessment to member towns	\$ 17,725,000	\$ 17,725,000	\$ 17,725,001	\$ 1
Intergovernmental	220,000	379,000	487,739	108,739
Charges for services	2,521,890	2,362,890	2,232,485	(130,405)
Investment income	2,500	2,500	2,758	258
Other income			4,558	4,558
	<u>20,469,390</u>	<u>20,469,390</u>	<u>20,452,541</u>	<u>(16,849)</u>
Total revenues				
Expenditures:				
Current:				
Instructional programs	9,909,190	9,654,190	9,653,082	(1,108)
Guidance services	991,530	983,133	983,133	-
Curriculum development	51,250	62,131	62,131	-
Educational media	234,560	199,212	199,212	-
General administration	3,330,630	3,421,627	3,421,627	-
Student activities	817,060	815,429	815,429	-
Transportation	1,265,050	1,301,803	1,284,736	(17,067)
Employee benefits	2,658,120	2,700,655	2,700,655	-
	<u>19,257,390</u>	<u>19,138,180</u>	<u>19,120,005</u>	<u>(18,175)</u>
Total expenditures				
Excess Revenues over Expenditures	1,212,000	1,331,210	1,332,536	1,326
Transfers out	<u>(1,212,000)</u>	<u>(1,331,210)</u>	<u>(1,331,210)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	1,326	<u>\$ 1,326</u>
Fund Balance at Beginning of Year			<u>7,974</u>	
Fund Balance at End of Year			<u>\$ 9,300</u>	

The accompanying notes are an integral part of the financial statements

REGIONAL SCHOOL DISTRICT NO. 19
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015

	Postemployment Healthcare Trust Fund	Memorial Scholarship Private Purpose Trust Fund	Agency Funds
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Cash	\$ 130,600	\$ 2,361	\$ 367,147
	<u> </u>	<u> </u>	<u> </u>
Liabilities:			
Due to students and others			\$ 363,282
Due to general fund			3,865
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities			\$ 367,147
			<u> </u>
Net Position:			
Net position held in trust for endowments		2,361	
Net position held in trust for OPEB benefits	130,600		
	<u> </u>	<u> </u>	
Total Net Position	\$ 130,600	\$ 2,361	
	<u> </u>	<u> </u>	

The accompany notes are an integral part of the financial statements

**REGIONAL SCHOOL DISTRICT NO. 19
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	Postemployment Healthcare Trust Fund	Memorial Scholarship Private Purpose Trust Fund
Additions:		
Contributions:		
Employer	\$ 52,000	\$
Investment income:		
Interest and dividends		8
Total additions	<u>52,000</u>	<u>8</u>
Deductions:		
Benefits	17,000	
Scholarships		300
Total deductions	<u>17,000</u>	<u>300</u>
Change in Net Position	35,000	(292)
Net Position at Beginning of Year	<u>95,600</u>	<u>2,653</u>
Net Position at End of Year	<u>\$ 130,600</u>	<u>\$ 2,361</u>

The accompanying notes are an integral part of the financial statements

REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Regional School District No. 19 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant policies of the District are described below.

A. Reporting Entity

E.O. Smith High School is a public high school (Grades 9-12) serving the towns of Ashford, Mansfield and Willington. It was created by the State Legislature through Public Law 84-42. On February 11, 1986, the electorate in Ashford and Mansfield voted to establish a Regional School District to provide governance for the school. On November 2, 1993, the electors of Ashford, Mansfield and Willington voted to expand the Regional School District to include the Town of Willington.

Member voting is weighted according to the proportion of each town's population to the total regional population. Accordingly, each member from Ashford receives 0.36 votes, each member from Mansfield receives 2.13 votes and each member from Willington receives 0.51 votes.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by member town assessments, intergovernmental revenues and revenues from local sources.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Member town assessments and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental, proprietary 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.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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. Agency funds do not have a measurement focus but are reported using the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

REGIONAL SCHOOL DISTRICT NO. 19 NOTES TO FINANCIAL STATEMENTS

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Member town assessments, expenditure reimbursement type grants, and certain intergovernmental revenues, transfers and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Debt Service Fund* accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The major sources of revenue for this fund are intergovernmental grants and transfers.

The *Capital Projects Fund* accounts for the acquisition, construction or renovation of major capital facilities and other capital related purchases. The major sources of revenue for this fund are capital grants and proceeds from the issuance of general obligation bonds.

The *Other Operating Fund* accounts for miscellaneous programs of the District. The major sources of revenue for this fund are intergovernmental grants and charges for services.

Additionally, the District reports the following fund types:

The *Postemployment Healthcare Trust Fund* accounts for the accumulation of resources to pay retiree medical benefits.

The *Private-Purpose Trust Fund* is used to account for resources legally held in trust for scholarships. Resources of the fund, including any earnings on invested resources, may be used for student scholarships.

The *Agency Funds* account for monies held on behalf of students on a custodial capacity.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements, except for any interfund services provided by one fund used by another fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

**REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS**

C. Assets, Liabilities and Net Position or Equity

Deposits and Investments

Deposits

The District considers cash equivalents as cash on hand, demand deposits, money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a “qualified public depository” as defined by Statute or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit, in an “out of state bank,” as defined by the Statutes, which is not a “qualified public depository.”

Investments

Investments are reported at fair value.

Receivables

Intergovernmental and assessments from member town receivables are considered to be fully collectible, and no allowance has been recorded.

Interfund Activity

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans).

Inventories

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed, rather than when purchased.

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 for equipment and vehicles and \$20,000 for buildings and improvements, land and land improvements and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	45
Improvements other than buildings	45
Equipment	5-25

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports a deferred charge on refunding in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The District also reports deferred outflows related to pension in the government-wide statement of net position. A deferred outflow of resources related to pension results deferred contributions subsequent to the actuarial measurement date. These amounts are deferred and recognized in pension expense in the subsequent year.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The District reports a deferred inflow related to differences between expected and actual earnings on pension plan investments. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

Compensated Absences

Vacation earned may be accumulated by employees with the Superintendent's permission until termination of their employment, at which time they are paid for accumulated vacation. Unused sick leave may be accumulated for certain employees up to 150 days until termination, retirement or death, at which time no payments will be made. Teachers may accumulate up to 186 days until termination, retirement or death, at which time no payments will be made.

Net Pension Liability

The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS

Fund Equity and Net Position

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

In the government-wide financial statements, net position is classified into the following categories:

Net Investment in Capital Assets

This category presents the net position that reflects capital assets net of only the debt applicable to the acquisition or construction of these assets. Debt issued for noncapital purpose is excluded.

Restricted Net Position

This category presents the net position restricted by external parties (creditors, grantors, contributors or laws and regulations).

Unrestricted Net Position

This category presents the net position of the District that is not restricted.

The equity of the fund financial statements is defined as “fund balance” and is classified in the following categories:

Nonspendable Fund Balance

This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance

This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors or laws and regulations of their governments.

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (the Board of Education). The Board of Education commits resources through the following process: a motion is made, the motion is seconded, discussion occurs, and finally the commitment is approved through a resolution of the members of the Board.

Assigned Fund Balance

This represents amounts constrained for use for a specific purpose by the Board of Education or the Superintendent through the encumbrance approval process.

Unassigned Fund Balance

This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities including disclosures of contingent assets and liabilities and reported revenues, expenses and expenditures during the fiscal year.

REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgets and Budgetary Accounting

The District establishes its General Fund budget in accordance with provisions of the Connecticut General Statutes.

A budget for the General Fund is authorized annually by the Board of Education (the Board). The Board follows these procedures in establishing the budgetary data reflected in the financial statements:

- The District legally adopts an annual budget for the General Fund pursuant to the Connecticut General Statutes Section 10-51. Formal budgetary integration is employed by the District as a management control device during the year for the General Fund. A budgetary comparison on a legal basis has been included in the appropriate financial statement and schedules, and a budgetary to GAAP reporting reconciliation has been provided in Note 2B, Budget to GAAP Reconciliation. The Capital Projects Fund employs a project length budget, which is approved by the Regional Board of Education.
- Prior to January, each department head or other agency as designated by the Superintendent submits budget requests accompanied by detailed estimates of expenditures to be made and, where appropriate, revenues to be collected during the ensuing fiscal year.
- During February and March, the Superintendent presents to the Board the revenue and expenditure detail for their consideration.
- Not less than two weeks before the annual meeting, which must be held on the first Monday of May, the Board shall hold a public district meeting to present a proposed budget for the next fiscal year. Any person may recommend the addition or deletion of expenditures at such time.
- After the public hearing, the Board shall prepare an annual budget for the next fiscal year, make available on request copies thereof and deliver a reasonable number of copies to the Town Clerk of each town in the Region at least five days before the annual meeting.
- At the annual meeting, the Board shall present a budget that includes statements of 1) estimated receipts and expenditures for the next fiscal year, 2) estimated receipts and expenditures for the current fiscal year, 3) estimated surplus or deficit in operation funds at the end of the current fiscal year, 4) bonded or other debt, 5) estimated per pupil expenditure for the current and for the next fiscal year, and 6) such other information as is necessary in the opinion of the Board.
- Persons present and eligible to vote may accept or reject the proposed budget. If a majority of such persons voting reject the budget, the Board shall, within two weeks thereafter and upon notice of not less than one week, call a District meeting to consider the same or an amended budget. Such meetings shall be convened at such intervals until a budget is approved.
- After the budget is approved, the Board shall estimate the share of the net expenditures to be paid by each member town in accordance with Connecticut General Statutes Section 10-51, and notify the respective District treasurer thereof.
- If the Board needs to submit a supplementary budget, the general procedures as outlined above shall be used.

REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS

- The level of control for a legally adopted budget (the level at which expenditures may not legally exceed appropriations without Board approval) is at the program level, except that the Superintendent has the authority to make budgetary transfers up to \$1,000 between programs. Transfers in excess of \$1,000 must be approved by the Board.
- The Board does not have the authority to expend beyond the total budget appropriation without District meeting approval. No additional appropriations were made during the year.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued, and, accordingly, encumbrances outstanding at year end are reported in budgetary reports as expenditures in the current year. Generally, all unencumbered appropriations lapse at year end, except those for the Capital Projects Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

B. Budget to GAAP Reconciliation

A reconciliation of revenues and expenditures, between the accounting treatment required by GAAP (Exhibit IV) and budgetary requirements (Exhibit V), at June 30, 2015 is as follows:

	<u>Revenues</u>	<u>Expenditures and Transfers</u>
Balance, budgetary basis, Exhibit V	\$ 20,452,541	\$ 20,451,215
Prior year encumbrances cancelled	(4,394)	
Prior year encumbrances liquidated		90,014
Current year encumbrances		(52,153)
Workers compensation fund revenues are not budgeted	5,633	
Workers compensation fund expenditures are not budgeted		85,134
Transfers to the workers' compensation fund are budgeted, but eliminated for GAAP		(82,210)
State Teachers' Retirement on-behalf payment	<u>1,771,371</u>	<u>1,771,371</u>
Balance, GAAP Basis, Exhibit IV	<u>\$ 22,225,151</u>	<u>\$ 22,263,371</u>

REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS

3. DETAILED NOTES

A. CASH, CASH EQUIVALENTS AND INVESTMENTS

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a “qualified public depository” as defined by Statute or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit, in an “out of state bank” as defined by the Statutes, which is not a “qualified public depository.”

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State Tax Exempt Proceeds Fund (TEPF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

Deposits

Deposit Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposit will not be returned. The District does not have a deposit policy for custodial credit risk.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$1,122,562 of the District’s bank balance of \$1,415,519 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$	985,306
Collateralized, held by banks		<u>137,256</u>
Total Amount Subject to Custodial Credit Risk	\$	<u><u>1,122,562</u></u>

Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository’s risk based capital ratio.

**REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS**

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2015, the District's cash equivalents amounted to \$2,301,872. The following table provides a summary of the District's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	<u>Standard & Poor's</u>
State Short-Term Investment Fund (STIF)	AAAm

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Investments

As indicated above, State Statutes limit the investment options of municipal entities. The District does not have an investment policy that further limits the investment options of the Regional School District beyond that of the State Statutes.

Concentration of Credit Risk

The District has no policy limiting an investment in any one issuer that is in excess of 5% of the District's total investments.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the District or that sells investments to or buys them for the District), the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have a policy for custodial credit risk. At June 30, 2015, the District did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the District's name.

**REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS**

B. Capital Assets

Capital asset activity for the year ended June 30, 2015 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers In/(Out)</u>	<u>Ending Balance</u>
Capital assets not being depreciated:					
Land	\$ 858,508	\$	\$	\$	\$ 858,508
Construction in progress	60,184	70,290		(60,184)	70,290
Total capital assets not being depreciated	<u>918,692</u>	<u>70,290</u>	<u>-</u>	<u>(60,184)</u>	<u>928,798</u>
Capital assets being depreciated:					
Buildings	44,273,539				44,273,539
Leasehold improvements	2,822,621	38,986			2,861,607
Improvements other than buildings	3,806,089	233,955		20,728	4,060,772
Equipment	1,689,116	304,533	15,832	39,456	2,017,273
Total capital assets being depreciated	<u>52,591,365</u>	<u>577,474</u>	<u>15,832</u>	<u>60,184</u>	<u>53,213,191</u>
Less accumulated depreciation for:					
Buildings	13,698,519	836,277			14,534,796
Leasehold improvements	505,306	128,417			633,723
Improvements other than buildings	1,094,371	154,515			1,248,886
Equipment	751,648	170,875	14,878		907,645
Total accumulated depreciation	<u>16,049,844</u>	<u>1,290,084</u>	<u>14,878</u>	<u>-</u>	<u>17,325,050</u>
Total capital assets being depreciated, net	<u>36,541,521</u>	<u>(712,610)</u>	<u>954</u>	<u>60,184</u>	<u>35,888,141</u>
Governmental Activities Capital Assets, Net	<u>\$ 37,460,213</u>	<u>\$ (642,320)</u>	<u>\$ 954</u>	<u>\$ -</u>	<u>\$ 36,816,939</u>

Depreciation expense of \$1,290,084 was charged to the functions/programs of the District as follows:

Instructional programs	\$ 16,869
Guidance services	9,539
General administration	1,252,916
Student activities	8,382
Transportation	2,378
Total Depreciation Expense	<u>\$ 1,290,084</u>

C. Interfund Receivables, Payables and Transfers

Individual fund interfund receivable and payable balances at June 30, 2015 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects Fund	\$ 270,721
General Fund	Other Operating Fund	24,114
General Fund	Fiduciary - Student Activities Fund	3,865
Total		<u>\$ 298,700</u>

REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS

A summary of interfund transfers as of June 30, 2015 is as follows:

	Transfers In			Total Transfers Out
	Debt Service Fund	Capital Projects Fund	Other Operating Fund	
Transfers out:				
General Fund	\$ 900,000	\$ 344,210	\$ 52,000	\$ 1,296,210
Debt Service Fund		<u>50,000</u>		<u>50,000</u>
Total Transfers In	<u>\$ 900,000</u>	<u>\$ 394,210</u>	<u>\$ 52,000</u>	<u>\$ 1,346,210</u>

During the year, transfers are used to 1) move revenues from the fund with collection authorization to the Debt Service Fund as debt service principal and interest payments become due, and 2) to move General Fund resources to the Capital Projects Fund for approved capital projects.

D. Changes in Long-Term Obligations

Summary of Changes

The following is a summary of changes in long-term obligations during the fiscal year:

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015	Due Within One Year
Bonds payable:					
General obligation bonds	\$ 8,070,000	\$	\$ 2,065,000	\$ 6,005,000	\$ 2,030,000
Less deferred amounts:					
Bond premium	<u>76,032</u>		<u>15,227</u>	<u>60,805</u>	
Total bonds payable	8,146,032	-	2,080,227	6,065,805	2,030,000
Compensated absences	123,058	143,722	125,479	141,301	28,260
Net pension liability	1,094,493		311,913	782,580	
Net OPEB obligation	<u>40,642</u>		<u>1,033</u>	<u>39,609</u>	
Total Long-Term Liabilities, Governmental Activities	<u>\$ 9,404,225</u>	<u>\$ 143,722</u>	<u>\$ 2,518,652</u>	<u>\$ 7,029,295</u>	<u>\$ 2,058,260</u>

All long-term liabilities other than debt are generally liquidated by the General Fund. Debt is generally liquidated by the Debt Service Fund.

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NOTES TO FINANCIAL STATEMENTS

The annual requirements to amortize all bonds payable as of June 30, 2015 and the amounts to be provided by the State of Connecticut for the retirement of school bonds and of debt principal and interest maturities are as follows:

<u>Year Ending June 30,</u>	<u>To Be Provided by State</u>		<u>Bond Principal</u>	<u>Bond Interest</u>
	<u>For Principal</u>	<u>For Interest</u>		
2016	\$ 1,329,263	134,380	\$ 2,030,000	176,163
2017	1,118,144	79,000	1,695,000	119,388
2018	685,689	30,966	1,040,000	70,088
2019			155,000	38,944
2020			155,000	35,068
2021-2025			775,000	105,594
2026			155,000	5,618
	<u>\$ 3,133,096</u>	<u>\$ 244,346</u>	<u>\$ 6,005,000</u>	<u>\$ 550,863</u>

Outstanding debt by issue is as follows:

	<u>Issued</u>	<u>Original Amount</u>	<u>Year of Maturity</u>	<u>Interest Rate %</u>	<u>Balance June 30, 2015</u>
Refunding	4/22/2009	\$ 18,325,000	2018	2.0-5.0	\$ 4,300,000
General obligation bonds	6/23/2011	2,167,000	2026	1.75-3.75	<u>1,705,000</u>
					<u>\$ 6,005,000</u>

Statutory Debt Limitations

The District's indebtedness does not exceed the legal debt limitations as required by Connecticut General Statutes. The statutes allow for debt up to 2.25 times the annual receipts of taxation of the member towns. The District's debt limitation is as follows:

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
Schools	\$ 113,313,517	\$ 2,932,709	\$ 110,380,808

School building grants receivable of \$3,133,096, included in the calculation for bond principal, are reflected as deductions in the computation of net indebtedness.

Authorized/Unissued Bonds

At June 30, 2015, the District had no authorized and unissued bonds.

4. RISK MANAGEMENT

The District is exposed to various risks of loss related to public officials; Board of Education liability; torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God. The District purchases commercial insurance for all risks of loss, except for medical insurance. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage from coverage in the prior year.

Hospitalization and medical-surgical health coverage for District employees are administered by the Town of Mansfield (the Town) on behalf of the District. The Town operates the Mansfield Health Insurance Fund (the Fund), which has been recorded in the Town's records as an Internal Service Fund. The Fund's general objectives are to formulate, on behalf of the members, a health insurance program at lower costs of coverage and to develop a systematic method to control health costs.

A third party administers the plan through a contract with the Town for which the Fund pays a fee. The contract period is for calendar year 2015.

The Fund purchased \$175,000 of combined medical-surgical and major medical individual stop loss.

The claim liability of \$581,000 for the Fund is based on the requirements of GASB Statement Nos. 10 and 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial statements and the amount of the possible loss can be reasonably estimated. The amount of the claim accrual is based on the ultimate costs of settling the claim which includes past experience data, inflation and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses.

For the period ended June 30, 2015, the District's General Fund made premium payments into the Fund of \$2,029,638.

The District is a member of the Connecticut Interlocal Risk Management Agency (CIRMA), an unincorporated association of Connecticut local public agencies, which was formed in 1980 by the Connecticut Conference of Municipalities for the purpose of establishing and administering an interlocal risk management program pursuant to the provisions of Section 7-479a et. seq. of the Connecticut General Statutes.

5. PENSION PLANS

Municipal Employees' Retirement System

A. Plan Description

All full-time employees except teachers who are eligible to participate in the State of Connecticut Teachers' Retirement System, participate in the Municipal Employees' Retirement System (MERS). MERS is a cost-sharing multiple-employer public employee retirement system established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits to employees of participating municipalities. Chapters 7-425 to 7-451 of the State of Connecticut General Statutes, which can be amended by legislative action, establishes MERS benefits, member contribution rates and other plan provisions. MERS is considered to be part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports can be obtained at www.ct.gov.

**REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS**

B. Benefit Provisions

The plan provides retirement, disability and death benefits and annual cost-of-living adjustments to plan members and their beneficiaries. Employees are eligible to retire at age 55 with 5 years of continuous service, or 15 year of active aggregate service, or 25 years of aggregate service. In addition, compulsory retirement is at age 65 for police and fire members.

Normal Retirement

For members not covered by social security, retirement benefits are calculated as 2% of the average of the three highest paid years of service times the years of service. For members covered by social security, retirement benefits are calculated as 1 1/2% of the average of the three highest paid years of service not in excess of the year's breakpoint plus 2% of average of the three highest paid years of service in excess of the year's breakpoint, times years of service. The year's breakpoint is defined as \$10,700 increased by 6.0% each year after 1982, rounded to the nearest multiple of \$100. Maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually.

Early Retirement

Members must have 5 years of continuous or 15 years of active aggregate service. Benefits are calculated as a service retirement allowance on the basis of the average of the three highest paid years of service to the date of termination. Deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Disability Retirement - Service Connected

Employees who are totally and permanently disabled and such disability has arisen out of an in the course of employment with the municipality. Disability due to heart and hypertension in the case of fire and police, is presumed to have been suffered in the line of duty. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability with a minimum benefit (including worker's compensation benefits) of 50% of compensation at the time of disability. are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement - Non-Service Connected

Employees who have 10 years of service and are totally and permanently disabled. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability.

Death Benefit

Employees who are eligible for service, disability or early retirement and married for at least 12 months preceding death. Benefits are calculated based on the average of the three highest paid years of service and creditable service at date of death, payable to the spouse. Benefit is equal to 50% of the average of the life annuity allowance and reduced 50% joint and survivor allowance.

C. Contributions

Member

Contributions for members not covered by social security are 5% of compensation; for members covered by social security, 2¼% of compensation up to the social security taxable wage base plus 5%, if any, in excess of such base.

Employer

Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions.

REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the District reports a total liability of \$782,580 for government wide financials in Exhibit I for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2015, the District's proportion was 0.329% percent. Due to this year being the first year of implementation, the increase or decrease in proportion from June 30, 2014 is not available.

For the year ended June 30, 2015, the District recognized pension expense of \$141,329 in Exhibit II. At June 30, 2015, the District reported deferred inflow of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$	\$ 250,572
District contributions subsequent to the measurement date	222,284	
Total	<u>\$ 222,284</u>	<u>\$ 250,572</u>

Amounts reported as deferred outflows of resources related to District contributions after the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Amounts reported as deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending June 30</u>	
2016	\$ 62,643
2017	62,643
2018	62,643
2019	<u>62,643</u>
Total	<u>\$ 250,572</u>

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increase	4.25-11.00%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Mortality Table for annuitants and non-annuitants (set forward one year for males and set back one year for females).

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2005 - June 30, 2010.

REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. equities	16.0%	5.8%
Developed non-U.S. equities	14.0%	6.6%
Emerging markets (non-U.S.)	7.0%	8.3%
Core fixed income	8.0%	1.3%
Inflation linked bond fund	5.0%	1.0%
Emerging market bond	8.0%	3.7%
High yield bonds	14.0%	3.9%
Real estate	7.0%	5.1%
Private equity	10.0%	7.6%
Alternative investments	8.0%	4.1%
Liquidity fund	3.0%	.4%
Total	<u>100.0%</u>	

F. Discount Rate

The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability, calculated using the discount rate of 8.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.00%) or 1 percentage point higher (9.00%) than the current rate:

<u></u>	<u>1% Decrease (7.00%)</u>	<u>Current Discount Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
District's proportionate share of the net pension liability	\$ 1,589,184	\$ 782,580	\$ 99,721

H. Plan Fiduciary Net Position

The audited amounts as presented in the State of Connecticut's Comprehensive Annual Financial Report as of and for the year ended June 30, 2014 have been adjusted to be in accordance with the requirements of GASB Nos. 67 and 68. The adjustment to the contribution receivable increased the net position as previously reported from \$2,175,433,000 to \$2,262,724,000. The net pension liability at June 30, 2014 has been calculated using the adjusted amounts.

Teachers Retirement

A. Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

B. Benefit Provisions

The plan provides retirement, disability and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary).

Early Retirement

Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

C. Contributions

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the State of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

**REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS**

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the District reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the Region		<u>23,578,705</u>
Total	\$	<u>23,578,705</u>

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2015, the District has no proportionate share of the net pension liability.

For the year ended June 30, 2015, the District recognized pension expense and revenue of \$1,771,371 in Exhibit II for on-behalf amounts for the benefits provided by the State.

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increase	3.75-7.00%, including inflation
Investment rate of return	8.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table projected 19 years using scale AA, with a two-year setback for males and females for the period after service retirement and for dependent beneficiaries.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2005 - June 30, 2010.

Future cost-of-living increases for members who retire on or after September 1, 1992 are assumed to be an annual cost-of-living adjustment of 2%.

REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. equities	21.0%	7.3%
Developed non-U.S. equities	18.0%	7.5%
Emerging markets (non-U.S.)	9.0%	8.6%
Core fixed income	7.0%	1.7%
Inflation linked bond fund	3.0%	1.3%
Emerging market bond	5.0%	4.8%
High yield bonds	5.0%	3.7%
Real estate	7.0%	5.9%
Private equity	11.0%	10.9%
Alternative investments	8.0%	0.7%
Liquidity fund	6.0%	0.0%
Total	<u>100.0%</u>	

F. Discount Rate

The discount rate used to measure the total pension liability was 8.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The District’s proportionate share of the net pension liability is \$0 and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

H. Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the District has no obligation to contribute to the plan.

**REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS**

6. CONTINGENT LIABILITIES

There are various lawsuits and claims pending against the District, the ultimate effect of which, if any, cannot presently be determined; however, the ultimate resolution of these matters is not expected to have a material adverse effect on the financial condition of the District.

State and Federal grants received by the District are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditures disallowed under terms of the grant. The amount, if any, of expenditures, which may be disallowed, cannot be determined at this time, although the District’s management believes such disallowance, if any, will be immaterial.

7. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The District, in accordance with various collective bargaining agreements and State Statutes, is committed to providing health and other benefits to certain eligible retirees and their spouses. The Other Postemployment Benefit (OPEB) program covers the District’s teachers and administrators. Under the various collective bargaining agreements, retirees and beneficiaries currently receiving benefits are required to contribute specified percentages towards the cost of receiving those benefits. The District does not issue a separate stand-alone financial statement for this program.

At July 1, 2014, District’s plan membership consisted of the following:

	Post Employment Healthcare Trust
Retired participants	7
Active plan members	147
Total	154

Funding Policy

The District administers a single-employer, postemployment health care plan to provide medical benefits for eligible retirees and their spouses. Retirees bear the full cost of their coverage. However, based on a July 1, 2012 OPEB actuarial valuation, the District’s annual required contribution (ARC) is \$17,000 to cover the implicit rate subsidy. Beginning July 1, 2009, the District began to account for and fund the ARC in a Postemployment Healthcare Trust. The District plans to continue a funding strategy that provides for normal cost and the amortization of the accrued liability as recommended in its OPEB actuarial study. The study accounts for numerous factors such as turnover and retirement rates, mortality assumptions, medical inflation and claims cost assumptions, and discount rate assumptions.

Eligibility and benefit is based on several factors:

- Eligibility for benefits and the level of benefits are determined by collective bargaining unit agreement or contract.

REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS

- Retirees pay the full cost of the coverage.
- At age 65, some retirees receive a stipend from the State of Connecticut Teachers' Retirement System towards the cost of their coverage.
- At age 65, some retirees have the option to take Medicare and medical insurance through the State of Connecticut Teachers' Retirement System.

The cost per month for District employees receiving medical coverage is \$603 per month for retiree-only coverage and \$1,262 per month for retiree and spouse coverage to age 65. The cost per month for District employees receiving dental coverage is \$34 per month for retiree-only coverage and \$67 per month for retiree and spouse coverage to age 65.

Annual OPEB Cost and Net OPEB Obligations

The District's annual OPEB cost is calculated based on the ARC, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation:

	Post Employment Healthcare Trust
Annual required contribution (ARC)	\$ 52,000
Interest on net OPEB obligation	3,048
Adjustment to annual required contribution	<u>(4,081)</u>
Annual OPEB Cost	50,967
Contributions made	<u>52,000</u>
Change in net OPEB obligation	(1,033)
Net OPEB obligation - beginning of year	<u>40,642</u>
Net OPEB Obligation - End of Year	<u>\$ 39,609</u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the fiscal years ended June 30, 2015, 2014 and 2013 is presented below:

Fiscal Year Ending	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/2013	\$ 41,504	\$ 37,400	90.11%	\$ 27,681
6/30/2014	48,361	35,400	73.20%	40,642
6/30/2015	50,967	52,000	102.03%	39,609

REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as accrual results are compared with past expectations and new estimates are made about the future.

Schedule of Employer Contributions

Schedule of Employer Contributions				
Year Ended	Annual Required Contribution	Actual Contribution	Percentage Contributed	
6/30/2013	\$ 42,000	\$ 37,400	89.05%	
6/30/2014	49,000	35,400	72.24%	
6/30/2015	52,000	52,000	100.00%	

Schedule of Funding Progress

Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
7/1/2010	\$ 17,600	\$ 268,900	\$ 251,300	6.55%	\$ 10,070,000	2.50%
7/1/2012	53,000	330,000	277,000	16.06%	10,379,000	2.67%
7/1/2014	95,600	573,295	477,695	16.68%	10,220,665	4.67%

Projections for benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2014 actuarial valuation of the District’s Plan, the Projected Unit Credit Cost Method was used. The actuarial assumptions include a 6.75% investment rate-of-return, which is the rate of the expected long-term investment returns of plan assets calculated based on the funding policy of the plan at the valuation date. The annual healthcare (inflation) cost trend rate is 5.58% initially, reduced by decrements to an ultimate rate of 4.6% after 76 years; embedded within this healthcare cost trend rate an underlying inflation rate of 2.7% is used. The projected salary increases were 4%, and no post-retirement benefit increase is assumed. The UAAL is being amortized as a 19-year, closed level dollar amortization.

**REGIONAL SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS**

8. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2015 are as follows:

	<u>General Fund</u>	<u>Debt Service</u>	<u>Major Special Revenue Funds</u>		<u>Nonmajor Governmental Fund Education Grants Fund</u>	<u>Total</u>
			<u>Capital Projects</u>	<u>Other Operating</u>		
Fund balances:						
Restricted for:						
Instructional programs	\$	\$	\$	\$ 17,639	\$	\$ 17,639
Debt service		1,142,766				1,142,766
Unspent grant balances					89	89
Committed to:						
Instructional programs				510,603		510,603
Employee benefits	37,217					37,217
Assigned to:						
Instructional programs	31,572					31,572
Guidance services	7,595					7,595
Educational media	5,424					5,424
General administration	7,424					7,424
Student activities	138					138
Unassigned	9,300		(42,575)			(33,275)
Total Fund Balances	\$ <u>98,670</u>	\$ <u>1,142,766</u>	\$ <u>(42,575)</u>	\$ <u>528,242</u>	\$ <u>89</u>	\$ <u>1,727,192</u>

Significant encumbrances at June 30, 2015 are contained in the above table in the assigned category of the General Fund in the amount of \$52,153.

9. FUND DEFICITS

The Capital Projects Fund has a deficit fund balance of \$42,575. This deficit will be funded through future grant proceeds and transfers.

10. PRIOR PERIOD ADJUSTMENT AND RESTATEMENT

The following restatements were recorded to the beginning of net position of the governmental activities as a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27, and GASB Statement No. 71, *Pension Contributions Made Subsequent to the Measurement Date* - an amendment of GASB Statement No. 68:

Net position balance at June 30, 2014, as previously reported	\$ 35,550,451
Adjustments:	
Record net pension liability per GASB No. 68	(1,094,493)
Record deferred outflow of resources related to contributions subsequent to the plan measurement date per GASB No. 71	<u>212,550</u>
Net Position Balance at July 1, 2014, as Restated	<u>\$ 34,668,508</u>

**Required
Supplementary
Information**

**REGIONAL SCHOOL DISTRICT NO. 19
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST FISCAL YEAR**

	<u>2015</u>
District's proportion of the net pension liability	0.00%
District's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>23,578,705</u>
Total	<u>\$ 23,578,705</u>
District's covered-employee payroll	\$ 9,447,992
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%
Plan fiduciary net position as a percentage of the total pension liability	61.51%

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	During 2011, rates of withdrawal, retirement and assumed rates of salary increases were adjusted to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2010.
Actuarial cost method	Entry age
Amortization method	Level percent of salary, closed
Remaining amortization period	22.4 years
Asset valuation method	4-year smoothed market

REGIONAL SCHOOL DISTRICT NO. 19
SCHEDULE OF EMPLOYER CONTRIBUTIONS - MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Actuarially determined contribution	\$ 88,709	\$ 97,161	\$ 110,336	\$ 113,231	\$ 118,954	\$ 153,573	\$ 198,983	\$ 199,778	\$ 212,550	\$ 222,284
Contributions in relation to the actuarially determined contribution	88,709	97,161	110,336	113,231	118,954	153,573	198,983	199,778	212,550	222,284
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 1,463,125	\$ 1,446,956	\$ 1,484,933	\$ 1,595,115	\$ 1,640,017	\$ 1,611,052	\$ 1,642,743	\$ 1,699,709	\$ 1,679,151	\$ 1,749,531
Contributions as a percentage of covered employee payroll	6.06%	6.71%	7.43%	7.10%	7.25%	9.53%	12.11%	11.75%	12.66%	12.71%

Notes to Schedule

Valuation date: June 30, 2014

Measurement date: June 30, 2014

Actuarially determined contribution rates are calculated as of June 30, each biennium for the fiscal years ending two and three years after the valuation date.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level dollar, closed
Single equivalent amortization period	27 years
Asset valuation method	5 years smoothed market (20% write up)
Inflation	3.25%
Salary increases	4.25% - 11%, including inflation
Investment rate of return	8%, net of investment related expense
Changes in assumptions:	In 2013, rates of mortality, withdrawal, retirement and assumed rates of salary increases were adjusted to more closely reflect actual and anticipated experience.

**REGIONAL SCHOOL DISTRICT NO. 19
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
 LAST FISCAL YEAR**

	<u>2015</u>
Town's proportion of the net pension liability	0.33%
Town's proportionate share of the net pension liability	\$ 782,580
Town's covered-employee payroll	\$ 1,749,531
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	44.73%
Plan fiduciary net position as a percentage of the total pension liability	90.48%

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	During 2013, rates of mortality, withdrawal, retirement and assumed rates of salary increases were adjusted to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2012.
Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Remaining amortization period	27 years
Asset valuation method	5-year smoothed market

Supplemental Schedules

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.

**REGIONAL SCHOOL DISTRICT NO. 19
GENERAL FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash	\$ 1,314,200	\$ 1,114,231
Accounts receivable	44,162	105,129
Due from other funds	<u>298,700</u>	<u>309,438</u>
Total Assets	<u>\$ 1,657,062</u>	<u>\$ 1,528,798</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts and other payables	\$ 238,834	\$ 174,970
Accrued liabilities	<u>1,319,558</u>	<u>1,216,938</u>
Total liabilities	<u>1,558,392</u>	<u>1,391,908</u>
Fund balances:		
Committed	37,217	34,508
Assigned	52,153	94,408
Unassigned	<u>9,300</u>	<u>7,974</u>
Total Fund Balances	<u>98,670</u>	<u>136,890</u>
Total Liabilities and Fund Balances	<u>\$ 1,657,062</u>	<u>\$ 1,528,798</u>

**REGIONAL SCHOOL DISTRICT NO. 19
GENERAL FUND
SCHEDULE OF CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2015**

Fund Balance at Beginning of Year:

Unreserved and undesignated

\$ 7,974

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	
Revenues and appropriation of fund balance	\$ 20,469,390	\$ 20,469,390	\$ 20,452,541	\$ (16,849)	
Expenditures and transfers out	<u>20,469,390</u>	<u>20,469,390</u>	<u>20,451,215</u>	<u>18,175</u>	
Net Result From Budgetary Operations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,326</u>	<u>\$ 1,326</u>	<u>1,326</u>
Fund Balance at End of Year:					
Unassigned					<u>\$ 9,300</u>

**REGIONAL SCHOOL DISTRICT NO. 19
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Assessment to member towns:				
Mansfield	\$ 10,045,920	\$ 10,045,920	\$ 10,045,920	\$ -
Ashford	3,523,961	3,523,961	3,523,962	1
Wilmington	4,155,119	4,155,119	4,155,119	-
Total assessment to member towns	<u>17,725,000</u>	<u>17,725,000</u>	<u>17,725,001</u>	<u>1</u>
Intergovernmental revenues:				
Vocational agriculture	220,000	220,000	358,015	138,015
School transportation	<u> </u>	<u>159,000</u>	<u>129,724</u>	<u>(29,276)</u>
Total intergovernmental revenues	<u>220,000</u>	<u>379,000</u>	<u>487,739</u>	<u>108,739</u>
Charges for services:				
Tuition - special education	191,880	191,880	84,102	(107,778)
Tuition - regular education	1,573,410	1,573,410	1,558,168	(15,242)
Tuition - vo-ag	597,600	597,600	590,215	(7,385)
School transportation	<u>159,000</u>	<u> </u>	<u> </u>	<u> </u>
Total charges for services	<u>2,521,890</u>	<u>2,362,890</u>	<u>2,232,485</u>	<u>(130,405)</u>
Investment income	<u>2,500</u>	<u>2,500</u>	<u>2,758</u>	<u>258</u>
Miscellaneous revenues	<u>-</u>	<u>-</u>	<u>4,558</u>	<u>4,558</u>
Total Revenues	<u>\$ 20,469,390</u>	<u>\$ 20,469,390</u>	<u>\$ 20,452,541</u>	<u>\$ (16,849)</u>

REGIONAL SCHOOL DISTRICT NO. 19
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Increases (Decreases) and Transfers	Final Budget	Expenditures	Variance with Final Budget
Instructional programs:					
English	\$ 1,095,510	\$ (34,184)	\$ 1,061,326	\$ 1,061,326	-
Reading	1,500	(823)	677	677	-
World languages	666,200	(48,964)	617,236	617,236	-
Physical education	451,020	9,191	460,211	460,211	-
Mathematics	1,070,800	9,803	1,080,603	1,080,603	-
Science	1,056,170	9,530	1,065,700	1,065,700	-
Social studies	1,033,650	(27,954)	1,005,696	1,005,696	-
Fine arts/art	200,300	(56)	200,244	200,244	-
Fine arts/music	321,900	(13)	321,887	321,887	-
Information technology	415,050	14,821	429,871	429,871	-
Technical and career education management	606,800	10,428	617,228	617,228	-
Tech prep	22,980	(5,961)	17,019	17,019	-
English as a second language	48,290	(67)	48,223	48,223	-
Substitute teachers	128,500	10,887	139,387	139,387	-
Non-distributed costs	41,470	(40,362)	1,108		(1,108)
Special education instruction	1,714,670	(188,345)	1,526,325	1,526,325	-
Special education summer program	57,590	(3,151)	54,439	54,439	-
Remedial education	21,600	(5,241)	16,359	16,359	-
Agriculture education	486,210	380	486,590	486,590	-
Tuition payments	210,420	35,271	245,691	245,691	-
Depot campus	251,060	1,253	252,313	252,313	-
Central service - instructional supplies	7,500	(1,443)	6,057	6,057	-
Total instructional programs	9,909,190	(255,000)	9,654,190	9,653,082	(1,108)
Guidance services:					
Guidance services	619,770	(11,836)	607,934	607,934	-
Health services	150,290	3,434	153,724	153,724	-
Psychological services	221,470	5	221,475	221,475	-
Total guidance services	991,530	(8,397)	983,133	983,133	-
Curriculum development:					
Curriculum development	14,500	(10,365)	4,135	4,135	-
Professional development	36,750	21,246	57,996	57,996	-
Total curriculum development	51,250	10,881	62,131	62,131	-
Educational media	234,560	(35,348)	199,212	199,212	-

(Continued)

REGIONAL SCHOOL DISTRICT NO. 19
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Increases (Decreases) and Transfers	Final Budget	Expenditures	Variance with Final Budget
General administration:					
Board of Education	\$ 49,900	\$ 74,952	\$ 124,852	\$ 124,852	-
Superintendent's office	229,180	4,640	233,820	233,820	-
Special education management	444,370	(12,597)	431,773	431,773	-
Academic support center	6,200	946	7,146	7,146	-
Principals' office services	588,560	(6,840)	581,720	581,720	-
Business management	315,210	(2,584)	312,626	312,626	-
Central services	292,830	54,419	347,249	347,249	-
Reproduction center - R19	98,000	2,758	100,758	100,758	-
Plant operation - buildings	1,306,380	(24,697)	1,281,683	1,281,683	-
Total general administration	<u>3,330,630</u>	<u>90,997</u>	<u>3,421,627</u>	<u>3,421,627</u>	<u>-</u>
Student activities:					
Student activities	134,000	(12,155)	121,845	121,845	-
Athletic program	683,060	10,524	693,584	693,584	-
Total student activities	<u>817,060</u>	<u>(1,631)</u>	<u>815,429</u>	<u>815,429</u>	<u>-</u>
Transportation:					
Transportation	990,050	(50,118)	939,932	939,932	-
Special education transportation	275,000	86,871	361,871	344,804	(17,067)
Total transportation	<u>1,265,050</u>	<u>36,753</u>	<u>1,301,803</u>	<u>1,284,736</u>	<u>(17,067)</u>
Employee benefits	<u>2,658,120</u>	<u>42,535</u>	<u>2,700,655</u>	<u>2,700,655</u>	<u>-</u>
Total Expenditures	<u>19,257,390</u>	<u>(119,210)</u>	<u>19,138,180</u>	<u>19,120,005</u>	<u>(18,175)</u>
Other financing uses:					
Transfers out:					
Special revenue funds:					
Other operating fund	<u>1,212,000</u>	<u>119,210</u>	<u>1,331,210</u>	<u>1,331,210</u>	<u>-</u>
Total other financing uses	<u>1,212,000</u>	<u>119,210</u>	<u>1,331,210</u>	<u>1,331,210</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 20,469,390</u>	<u>\$ -</u>	<u>\$ 20,469,390</u>	<u>\$ 20,451,215</u>	<u>\$ (18,175)</u>

Capital Projects Fund

The Capital Projects Fund accounts for the acquisition, construction or renovation of major capital facilities and other capital-related purchases.

**REGIONAL SCHOOL DISTRICT NO. 19
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - PROJECT BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Fiscal Year Authorized</u>	<u>Project Budget</u>	<u>Cumulative Prior Year Project Revenues and Other Sources</u>	<u>Current Year Project Revenues and Other Financing Sources</u>	<u>Cumulative Project Revenues and Other Financing Sources</u>	<u>Variance with Project Budget</u>
Auditorium/AGED Facility Study	2014-15	\$ 51,000	\$	\$ 51,000	\$ 51,000	\$ -
Replacement 1986 Boilers	2012-13	293,412	168,000	43,412	211,412	82,000
Duct Cleaning	2011-12	7,500	7,500		7,500	-
Replace Greenhouse Vents	2011-12	8,000	8,000		8,000	-
Gym Divider	2011-12	10,000		10,000	10,000	-
Tile & Carpet Replacement	2011-12	40,961	36,507	2,020	38,527	2,434
Transformer Cleaning	2012-13		3,000	(3,000)		-
Track Reconditioning	2012-13	6,000		6,000	6,000	-
Synthetic Turf Replacement	2012-13	15,000		15,000	15,000	-
Wireless Infrastructure	2011-12	134,833	134,833		134,833	-
Deferred Maintenance Projects	on-going	168,372	109,378	200	109,578	58,794
Renovate Reynolds School	2003-04	2,802,405	2,457,675	50,000	2,507,675	294,730
Language wing flooring	2005-06	30,780	30,780		30,780	-
Resurfacing Bathroom Floors	2007-08	7,981	10,000	(2,021)	7,979	2
Athletic Field Lighting/Building Renovations	2013-14	254,683	43,750	206,250	250,000	4,683
School Security Competitive Grant	2013-14	180,921	76,073	104,849	180,922	(1)
Cooling Tower	2013-14	10,000				10,000
Security Upgrades	2013-14	55,000				55,000
New Parking Farrel Field	2013-14	5,000		5,000	5,000	-
Chiller Rebuild	2014-15	40,000				40,000
Door Replacement	2014-15	6,000				6,000
Upgrade Fire Panel Electronics	2014-15	12,000				12,000
Special Ed Van	2014-15	53,210		53,210	53,210	-
Technology Grant - PEGPETIA	2014-15	73,046		72,626	72,626	420
EOS Furniture	2008-09	39,890	34,889		34,889	5,001
Computer equipment	2003-04	978,500	888,500	90,000	978,500	-
Replacement Equipment 09/10	2009-10	17,154		17,154	17,154	-
Bleachers	2009-10	82,582		81,912	81,912	670
Install/Replace Ventilation	2009-10	13,088	56,500	(43,412)	13,088	-
Vo-Ag Equipment Grant 219-0018	2011-12	590,062	587,499		587,499	2,563
Totals		<u>\$ 5,987,380</u>	<u>\$ 4,652,884</u>	<u>\$ 760,200</u>	<u>\$ 5,413,084</u>	<u>\$ 574,296</u>

**REGIONAL SCHOOL DISTRICT NO. 19
CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES - PROJECT BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Fiscal Year Authorized</u>	<u>Project Budget</u>	<u>Cumulative Prior Year Project Expenditures and Other Uses</u>	<u>Current Year Project Expenditures and Other Financing Uses</u>	<u>Cumulative Project Expenditures and Other Financing Uses</u>	<u>Variance with Project Budget</u>
Auditorium/AGED Facility Study	2014-15	\$ 51,000	\$	\$	\$	\$ 51,000
Replacement 1986 Boilers	2012-13	293,412				293,412
Duct Cleaning	2011-12	7,500	5,995		5,995	1,505
Replace Greenhouse Vents	2011-12	8,000				8,000
Gym Divider	2011-12	10,000				10,000
Tile & Carpet Replacement	2011-12	40,961	38,941		38,941	2,020
Track Reconditioning	2012-13	6,000				6,000
Synthetic Turf Replacement	2012-13	15,000				15,000
Wireless Infrastructure	2011-12	134,833	134,759		134,759	74
Deferred Maintenance Projects	on-going	168,372	145,896	16,843	162,739	5,633
Renovate Reynolds School	2003-04	2,802,405	2,802,405		2,802,405	-
Language wing flooring	2005-06	30,780	30,780		30,780	-
Resurfacing Bathroom Floors	2007-08	7,981	7,981		7,981	-
Athletic Field Lighting/Building Renovations	2013-14	254,683	20,728	233,955	254,683	-
School Security Competitive Grant	2013-14	180,921	76,072	104,849	180,921	-
Cooling Tower	2013-14	10,000				10,000
Security Upgrades	2013-14	55,000		49,282	49,282	5,718
New Parking Farrel Field	2013-14	5,000				5,000
Chiller Rebuild	2014-15	40,000		44,925	44,925	(4,925)
Door Replacement	2014-15	6,000				6,000
Upgrade Fire Panel Electronics	2014-15	12,000				12,000
Special Ed Van	2014-15	53,210				53,210
Technology Grant - PEGPETIA	2014-15	73,046		72,626	72,626	420
EOS Furniture	2008-09	39,890	34,890	4,969	39,859	31
Computer equipment	2003-04	978,500	828,233	118,495	946,728	31,772
Replacement Equipment 09/10	2009-10	17,154				17,154
Bleachers	2009-10	82,582	39,456	43,126	82,582	-
Install/Replace Ventilation	2009-10	13,088	13,088		13,088	-
Vo-Ag Equipment Grant 219-0018	2011-12	590,062	587,365		587,365	2,697
Totals		\$ 5,987,380	\$ 4,766,589	\$ 689,070	\$ 5,455,659	\$ 531,721

Agency Funds

Agency Funds

Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities).

Student Activities Fund

This fund is used to control various activities, as defined by State Statute, undertaken by students of the public school system.

Dependent Care Fund

This fund is used to account for monies held for dependent care.

Uninsured Medical Costs Fund

This fund is used to account for funds withheld from employees' pay for the purpose of reimbursement of uninsured medical costs.

REGIONAL SCHOOL DISTRICT NO. 19
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash:				
Student activities fund	\$ 390,462	\$ 693,335	\$ 729,521	\$ 354,276
Dependent care fund	1,682	23,049	21,584	3,147
Uninsured medical costs fund	9,929	20,867	21,072	9,724
Total Assets	<u>\$ 402,073</u>	<u>\$ 737,251</u>	<u>\$ 772,177</u>	<u>\$ 367,147</u>
LIABILITIES				
Due to Others:				
Student activities fund	\$ 390,462	\$ 689,470	\$ 729,521	\$ 350,411
Dependent care fund	1,682	23,049	21,584	3,147
Uninsured medical costs fund	9,929	20,867	21,072	9,724
Due to General Fund:				
Student activities fund		3,865		3,865
Total Liabilities	<u>\$ 402,073</u>	<u>\$ 737,251</u>	<u>\$ 772,177</u>	<u>\$ 367,147</u>

Statistical Section

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

Contents

Financial Trends (Tables 1 - 4)

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity (Tables 5 - 8)

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity (Tables 9 - 13)

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information (Tables 14 - 17)

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information (Tables 18 - 19)

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

Sources: Unless otherwise noted, the information in these Tables is derived from the comprehensive annual financial reports for the relevant year.

TABLE 1

**REGIONAL SCHOOL DISTRICT NO. 19
NET POSITION BY COMPONENT
LAST TEN YEARS
(UNAUDITED)**

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Net Position:										
Net investment in capital assets	\$ 30,862,134	\$ 29,314,181	\$ 28,283,270	\$ 26,990,745	\$ 25,755,775	\$ 24,930,890	\$ 23,847,852	\$ 23,187,403	\$ 20,467,988	\$ 18,912,085
Restricted					397,603	424,296	498,266	466,716	2,344,595	609,801
Unrestricted	<u>3,861,170</u>	<u>6,236,270</u>	<u>6,685,737</u>	<u>7,724,979</u>	<u>8,537,628</u>	<u>9,790,335</u>	<u>10,992,552</u>	<u>12,005,098</u>	<u>14,579,678</u>	<u>18,511,387</u>
Total Net Position	<u>\$ 34,723,304</u>	<u>\$ 35,550,451</u>	<u>\$ 34,969,007</u>	<u>\$ 34,715,724</u>	<u>\$ 34,691,006</u>	<u>\$ 35,145,521</u>	<u>\$ 35,338,670</u>	<u>\$ 35,659,217</u>	<u>\$ 37,392,261</u>	<u>\$ 38,033,273</u>

TABLE 2

**REGIONAL SCHOOL DISTRICT NO. 19
CHANGES IN NET POSITION
LAST TEN YEARS
(UNAUDITED)**

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses:										
Governmental activities:										
Instructional programs	\$ 15,017,738	\$ 15,136,721	\$ 14,696,811	\$ 14,567,881	\$ 14,118,392	\$ 13,443,419	\$ 13,030,734	\$ 14,970,329	\$ 10,657,274	\$ 10,522,487
Guidance services	1,205,594	1,166,234	1,161,587	1,164,932	1,168,843	1,060,822	1,112,606	1,171,074	1,151,803	1,098,516
Curriculum development	281,629	311,222	211,297	208,794	168,748	136,633	185,483	370,471	162,545	125,774
Educational media	195,160	269,753	233,187	211,278	205,568	202,439	204,174	250,417	262,593	234,141
General administration	5,382,036	5,015,412	4,951,070	4,794,055	4,711,387	4,499,764	4,519,506	4,339,734	4,166,758	4,050,207
Student activities	823,675	768,600	736,437	735,287	701,371	722,329	716,767	648,572	542,114	476,689
Transportation	1,293,521	1,153,007	1,291,006	1,183,134	1,139,933	1,293,650	1,261,349	1,184,454	1,130,921	1,091,392
Interest expense	270,351	321,316	376,656	420,692	429,388	533,839	1,173,342	834,084	903,406	1,010,959
Total Expenses	24,469,704	24,142,265	23,658,051	23,286,053	22,643,630	21,892,895	22,203,961	23,769,135	18,977,414	18,610,165
Program revenues:										
Governmental activities:										
Charges for services:										
Instructional programs	3,168,548	2,959,413	2,329,374	1,783,652	1,275,361	1,226,901	992,038	767,381	688,052	643,985
Operating grants and contributions	3,073,599	3,640,687	3,141,468	3,422,927	2,792,573	2,554,541	3,273,872	2,765,103	1,696,707	1,706,987
Capital grants and contributions	554,594	394,118	713,275	376,324	393,364	438,904	243,730	2,073,567		
Total Program Revenues	6,796,741	6,994,218	6,184,117	5,582,903	4,461,298	4,220,346	4,509,640	5,606,051	2,384,759	2,350,972
Net expense:										
Governmental activities	(17,672,963)	(17,148,047)	(17,473,934)	(17,703,150)	(18,182,332)	(17,672,549)	(17,694,321)	(18,163,084)	(16,592,655)	(16,259,193)
General revenues and other changes in net position:										
General revenues:										
Assessment to member towns	17,725,001	17,725,000	17,725,000	17,725,001	17,725,000	17,473,930	17,366,670	16,412,434	15,910,830	15,026,680
Investment income	2,758	4,491	2,217	2,867	2,817	5,470	7,104	17,082	37,887	36,692
Miscellaneous								524	2,926	14,554
Total General Revenues	17,727,759	17,729,491	17,727,217	17,727,868	17,727,817	17,479,400	17,373,774	16,430,040	15,951,643	15,077,926
Change in Net Position:										
Governmental Activities	\$ 54,796	\$ 581,444	\$ 253,283	\$ 24,718	\$ (454,515)	\$ (193,149)	\$ (320,547)	\$ (1,733,044)	\$ (641,012)	\$ (1,181,267)

TABLE 3

**REGIONAL SCHOOL DISTRICT NO. 19
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund:										
Reserved	\$	\$	\$	\$	\$	\$ 94,127	\$ 62,222	\$ 110,065	\$ 132,913	\$ 9,143
Unreserved:										
Designated									94,726	
Undesignated						3,913	2,909	1,533	229	(10,271)
Committed	37,217	34,508	29,389	27,670	19,761					
Assigned	52,153	94,408	221,366	234,418	132,187					
Unassigned	9,300	7,974	7,114	4,382	2,882					
Total General Fund	98,670	136,890	257,869	266,470	154,830	98,040	65,131	111,598	227,868	(1,128)
All other Governmental Funds:										
Reserved:										
Debt Service						424,296	498,266	464,491	538,227	600,658
Encumbrances						29,561	87,762			
Commitments								2,225	1,806,368	
Unreserved reported in:										
Special revenue funds						639,979	505,477	247,050	132,105	63,587
Capital projects funds						(738,877)	(777,911)	(894,869)	(2,546,285)	(102,135)
Restricted	1,160,494	1,070,387	386,035	368,031	1,179,107					
Committed	510,603	847,246	846,621	884,512	843,436					
Unassigned	(42,575)	(265,301)	(429,378)	(816,401)						
Total all other Governmental Funds	1,628,522	1,652,332	803,278	436,142	2,022,543	354,959	313,594	(181,103)	(69,585)	562,110
Grand Total	\$ 1,727,192	\$ 1,789,222	\$ 1,061,147	\$ 702,612	\$ 2,177,373	\$ 452,999	\$ 378,725	\$ (69,505)	\$ 158,283	\$ 560,982

Note: Information for years prior to the implementation of GASB Statement No. 54 has not been restated.

**REGIONAL SCHOOL DISTRICT NO. 19
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(UNAUDITED)**

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues:										
Assessment to member towns	\$ 17,725,001	\$ 17,725,000	\$ 17,725,000	\$ 17,725,001	\$ 17,725,000	\$ 17,473,930	\$ 17,366,670	\$ 16,412,434	\$ 15,910,830	\$ 15,026,680
Intergovernmental	4,939,189	5,272,785	5,204,847	5,161,653	4,545,847	4,323,224	4,802,174	9,218,060	3,496,343	3,496,454
Charges for services	3,168,384	3,011,581	2,329,258	1,783,652	1,275,056	1,226,901	992,038	767,381	688,052	643,985
Investment income	2,758	4,491	2,217	2,867	2,817	5,470	7,104	17,082	37,887	36,692
Contributions	28,647	59,546	11,132	11,128	240	6,040		3,780		
Other					65	3,660		524	2,926	14,554
Total Revenues	25,863,979	26,073,403	25,272,454	24,684,301	23,549,025	23,039,225	23,167,986	26,419,261	\$ 20,136,038	\$ 19,218,365
Expenditures:										
Current:										
Instructional programs	11,616,631	11,507,284	11,060,768	11,194,151	11,116,008	10,433,093	10,271,489	9,547,296	9,179,759	8,903,851
Guidance services	982,011	954,373	953,734	957,368	954,673	874,736	931,538	945,671	931,988	882,496
Curriculum development	93,550	99,517	48,627	50,724	41,953	25,333	48,516	53,149	52,370	32,462
Educational media	195,160	269,753	233,187	211,278	205,568	202,043	203,381	249,624	261,800	233,348
General administration	3,415,622	3,148,372	3,245,395	3,219,679	3,129,725	3,105,160	3,149,582	3,101,695	2,738,265	2,644,146
Student activities	815,293	760,220	739,364	770,071	695,873	714,755	710,274	639,391	548,693	499,384
Transportation	1,291,143	1,150,628	1,226,016	1,089,480	1,077,412	1,237,128	1,203,202	1,131,879	1,067,668	1,028,123
Employee benefits	4,526,691	4,689,369	4,282,103	4,177,254	3,822,373	3,715,925	3,525,202	6,129,052	2,442,195	2,481,149
Debt service:										
Principal	2,065,000	2,110,000	2,157,000	2,050,000	2,060,000	1,995,000	2,050,000	1,725,000	1,705,000	1,630,000
Interest	235,838	290,525	337,691	385,287	395,204	497,373	486,641	772,998	841,667	898,796
Capital outlay	689,070	365,287	630,034	2,053,770	523,099	164,405	250,996	2,351,294	769,332	142,535
Total Expenditures	25,926,009	25,345,328	24,913,919	26,159,062	24,021,888	22,964,951	22,830,821	26,647,049	20,538,737	19,376,290
Excess (Deficiency) of Revenues over Expenditures	(62,030)	728,075	358,535	(1,474,761)	(472,863)	74,274	337,165	(227,788)	(402,699)	(157,925)
Other financing sources (uses):										
Proceeds from refunding bond issuance							18,325,000			
Payments to escrow agents							(18,213,935)			
Transfers in	1,346,210	2,082,734	1,205,580	1,191,312	998,080	1,012,300	964,790	947,140	949,550	846,250
Issuance of debt					2,167,000					
Bond premiums					30,237					
Transfers out	(1,346,210)	(2,082,734)	(1,205,580)	(1,191,312)	(998,080)	(1,012,300)	(964,790)	(947,140)	(949,550)	(846,250)
Net other financing sources	-	-	-	-	2,167,000	-	111,065	-	-	-
Net Change in Fund Balance	\$ (62,030)	\$ 728,075	\$ 358,535	\$ (1,474,761)	\$ 1,694,137	\$ 74,274	\$ 448,230	\$ (227,788)	\$ (402,699)	\$ (157,925)
Debt Service as a Percentage of Capital Expenditures	9.10%	9.60%	10.15%	10.06%	10.25%	10.89%	11.22%	10.20%	12.93%	4.67%

TABLE 5

REGIONAL SCHOOL DISTRICT NO. 19
TAXABLE GRAND LISTS, TAX LEVY AND TAX COLLECTIONS
MEMBER TOWNS
LAST TEN YEARS
(UNAUDITED)

The following table sets forth the net taxable grand lists, the amount of annual property tax levy and the tax collection record of the member towns for the last ten fiscal years.

ASHFORD						
Year Ended June 30,	Net Taxable Grand List	Tax Rate/ 1000	Total Adjusted Tax Levy	Percent Collected End of Each Year	Uncollected Taxes	
					End of Each Year	As Of June 30, 2015
2006	\$ 234,172,380	32	\$ 7,465,732	98.20%	\$ 136,513	\$ 30,666
2007	240,891,580	33	7,990,034	98.40%	131,598	33,462
2008	244,354,303	34	8,265,539	98.10%	153,567	34,493
2009	342,395,708	25	8,383,943	98.30%	138,756	36,741
2010	341,100,209	25	8,371,275	98.20%	154,855	37,161
2011	344,239,289	25	8,706,951	97.90%	186,891	39,005
2012	346,928,697	26	8,761,369	97.70%	199,828	38,707
2013	298,266,960	31	9,201,568	97.92%	193,600	63,625
2014	298,542,280	32	9,402,777	98.08%	173,037	90,777
2015	296,251,889	32	9,592,726	97.94%	199,082	199,082

MANSFIELD						
Year Ended June 30,	Net Taxable Grand List	Tax Rate/ 1000	Total Adjusted Tax Levy	Percent Collected End of Each Year	Uncollected Taxes	
					End of Each Year	As Of June 30, 2015
2006	\$ 874,995,660	22	\$ 19,140,949	98.60%	\$ 264,663	\$ 1,249
2007	892,269,810	23	20,343,456	98.50%	308,167	3,583
2008	914,191,034	24	21,752,811	98.50%	329,642	6,137
2009	927,749,626	25	23,373,465	98.40%	381,993	7,920
2010	933,280,960	26	23,957,562	98.40%	389,648	11,274
2011	974,044,675	26	24,661,568	98.80%	295,587	32,328
2012	974,439,176	27	26,037,701	98.40%	410,862	57,122
2013	980,397,735	27	26,718,687	98.40%	434,560	102,225
2014	1,011,715,713	27	27,746,958	98.70%	360,061	159,922
2015	1,019,801,789	28	28,503,460	98.90%	313,627	313,627

WILLINGTON						
Year Ended June 30,	Net Taxable Grand List	Tax Rate/ 1000	Total Adjusted Tax Levy	Percent Collected End of Each Year	Uncollected Taxes	
					End of Each Year	As Of June 30, 2015
2006	\$ 377,304,730	26	\$ 9,709,774	99.30%	\$ 67,222	\$
2007	387,682,695	26	10,007,056	99.40%	63,285	
2008	393,258,856	26	10,208,212	99.20%	76,843	
2009	398,084,923	27	10,742,791	98.80%	127,235	
2010	469,106,385	23	11,126,967	99.00%	107,770	
2011	471,739,202	23	11,035,097	99.20%	92,323	
2012	475,939,278	24	11,219,032	99.40%	68,423	109
2013	479,096,785	24	11,514,988	99.72%	31,911	6,556
2014	479,767,749	24	11,748,116	99.25%	88,171	22,093
2015	435,119,604	27	11,948,410	99.60%	78,858	

TABLE 6

**REGIONAL SCHOOL DISTRICT NO. 19
TAXABLE GRAND LISTS - MEMBER TOWNS
LAST TEN YEARS
(UNAUDITED)**

Grand List As Of October 1,	Residential Real Property	%	Utilities Commercial and Industrial Real Property	%	All Other Land	%	Personal Property	%	Motor Vehicle	%	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List	Total Direct Rate	
ASHFORD															
2004	\$ 181,553,680	77.1%	\$ 12,416,090	5.3%	\$ 6,995,310	3.0%	\$ 8,215,750	3.5%	\$ 26,165,600	11.1%	\$ 235,346,430	\$ 1,174,050	\$ 234,172,380	31.60	
2005	186,559,400	77.1%	12,165,540	5.0%	6,898,960	2.8%	8,470,380	3.5%	28,018,200	11.6%	242,112,480	1,220,900	240,891,580	33.00	
2006	188,847,800	76.8%	13,848,520	5.6%	6,853,552	2.8%	8,294,419	3.4%	28,058,416	11.4%	245,902,707	1,548,404	244,354,303	33.70	
2007	263,686,950	76.5%	25,043,800	7.3%	16,489,890	4.8%	7,617,634	2.2%	31,910,550	9.3%	344,748,824	2,353,116	342,395,708	24.65	
2008	265,479,350	77.3%	25,095,300	7.3%	15,570,370	4.5%	7,267,492	2.1%	30,245,709	8.8%	343,658,221	2,558,012	341,100,209	24.65	
2009	267,287,600	77.7%	25,893,300	7.5%	15,598,440	4.5%	7,556,512	2.2%	30,404,219	8.8%	346,740,071	2,500,782	344,239,289	25.43	
2010	268,439,500	77.5%	25,829,000	7.5%	15,486,260	4.5%	8,024,428	2.3%	31,636,633	9.1%	349,415,821	2,487,124	346,928,697	25.60	
2011	223,581,000	74.4%	22,036,300	7.3%	14,027,250	4.7%	7,562,877	2.5%	33,347,705	11.1%	300,555,132	2,288,172	298,266,960	31.05	
2012	224,539,000	74.6%	21,955,500	7.3%	13,707,330	4.6%	7,779,493	2.6%	32,821,288	10.9%	300,802,611	2,260,331	298,542,280	31.65	
2013	224,709,300	75.2%	21,908,400	7.3%	13,341,410	4.5%	8,821,111	3.0%	30,096,816	10.1%	298,877,037	2,645,822	296,251,889	32.16	
MANSFIELD															
2004	\$ 658,941,733	74.9%	\$ 106,028,890	12.0%	\$ 8,116,630	0.9%	\$ 32,199,575	3.7%	\$ 74,895,444	8.5%	\$ 880,182,272	\$ 5,186,612	\$ 874,995,660	22.01	
2005	670,168,950	74.6%	107,835,200	12.0%	7,727,790	0.9%	33,853,075	3.8%	78,529,205	8.7%	898,114,220	5,844,410	892,269,810	22.88	
2006	689,970,600	75.0%	108,312,710	11.8%	7,044,070	0.8%	35,057,720	3.8%	80,038,570	8.7%	920,423,670	6,232,636	914,191,034	23.87	
2007	702,597,450	75.2%	108,694,140	11.6%	6,889,300	0.7%	36,401,718	3.9%	79,514,897	8.5%	934,097,505	6,347,879	927,749,626	25.24	
2008	712,378,920	75.8%	108,803,970	12.0%	6,792,910	0.7%	35,487,753	3.8%	76,279,666	8.1%	939,743,219	6,462,259	933,280,960	25.71	
2009	730,833,500	74.5%	129,850,480	13.2%	7,307,020	0.7%	34,955,767	3.6%	77,516,289	7.9%	980,463,056	6,418,378	974,044,678	25.71	
2010	735,749,080	75.5%	129,822,260	13.3%	7,228,620	0.7%	35,730,116	3.7%	71,916,804	7.4%	980,446,880	6,007,704	974,439,176	26.68	
2011	738,105,450	74.9%	130,229,800	13.2%	7,125,370	0.7%	35,552,335	3.6%	74,750,285	7.6%	985,763,240	5,365,505	980,397,735	27.16	
2012	742,458,660	73.0%	152,860,610	15.0%	7,080,780	0.7%	39,798,226	3.9%	75,060,137	7.4%	1,017,258,413	5,542,700	1,011,715,713	27.95	
2013	745,144,620	71.4%	169,873,660	16.3%	7,234,500	0.7%	44,979,492	4.3%	76,372,344	7.3%	1,043,604,621	7,352,242	1,036,252,379	27.95	
WILLINGTON															
2004	\$ 222,076,160	58.6%	\$ 69,383,970	18.3%	\$ 40,872,050	10.8%	\$ 11,060,910	2.9%	\$ 35,268,590	9.3%	\$ 378,661,680	\$ 1,356,950	\$ 377,304,730	25.73	
2005	225,439,145	58.0%	70,167,485	18.0%	42,279,896	10.9%	12,970,000	3.3%	38,006,299	9.8%	388,862,825	1,180,130	387,682,695	26.06	
2006	229,645,000	58.2%	71,295,120	18.1%	41,446,686	10.5%	14,185,828	3.6%	37,865,284	9.6%	394,437,918	1,179,062	393,258,856	25.70	
2007	239,349,040	59.9%	72,659,780	18.2%	42,304,650	10.6%	12,963,337	3.2%	39,213,770	9.8%	399,490,577	1,405,654	398,084,923	26.72	
2008	326,155,040	69.3%	78,302,630	16.6%	17,119,040	3.6%	12,887,480	2.7%	36,125,337	7.7%	470,589,527	1,483,142	469,106,385	23.35	
2009	327,140,360	69.1%	78,528,290	16.6%	16,749,020	3.5%	13,627,035	2.9%	37,577,401	7.9%	473,622,106	1,882,904	471,739,202	23.40	
2010	329,875,350	69.0%	78,711,600	16.5%	16,273,870	3.4%	14,342,968	2.9%	38,987,880	8.2%	478,191,668	2,252,390	475,939,278	23.58	
2011	331,342,650	68.8%	77,308,500	16.1%	15,748,930	3.3%	15,526,645	3.2%	41,511,660	8.6%	481,438,385	2,341,600	479,096,785	23.96	
2012	332,443,930	69.0%	77,563,090	16.1%	15,282,280	3.2%	15,737,699	3.3%	40,998,970	8.5%	482,025,969	2,258,220	479,767,749	24.38	
2013	295,268,930	67.5%	69,853,590	16.0%	13,321,050	3.0%	16,418,889	3.3%	42,473,795	9.7%	437,336,254	2,216,650	435,119,604	27.34	

REGIONAL SCHOOL DISTRICT NO. 19
 PRINCIPAL TAXPAYERS OF THE MEMBER TOWNS
 FOR CURRENT ASSESSMENT YEAR AND NINE YEARS AGO
 (UNAUDITED)

ASHFORD								
Taxpayer	Nature of Business	2015			2006			
		Assessed Value	Rank	Percentage *	Assessed Value	Rank	Percentage *	
Connecticut Light & Power Co	Public Utility	\$ 4,039,450	1	1.36%	\$ 2,106,580	1	0.90%	
Perry Ridge Investors LLC	Apartments	2,155,110	2	0.73%				
Birch Hill Investors LLC	Apartments	2,031,100	3	0.69%				
Giuletti James D	Apartments	1,960,000	4	0.66%				
Woodlawn Apartments, LLC	Apartments	1,378,900	5	0.47%	914,670	10	0.39%	
Grove Corporation	Commercial	1,136,900	6	0.38%	1,102,230	5	0.47%	
Specyalski, Brian E	Campground	1,580,920	7	0.53%				
AB Realty LLC	Commercial	1,039,400	8	0.35%				
Ashford Glen LLC	Apartments	922,060	9	0.31%				
Knowlton Thomas E	Dairy Farm	899,450	10	0.30%				
Mercier Nomad + Denis	Equestrian center	878,040			1,894,350	2	0.81%	
Cadlerock Properties Joint Venture LP	Commercial	794,800			958,790	9	0.41%	
P+G Realty LLC	Restaurant	746,400						
Mar-Lea Park Apartments LLC	Apartments	728,500						
Krukoff Stephen	Excavation	629,160						
Ashford Hills Associates Inc	Apartments				1,108,720	4	0.47%	
Kaplan Samuel + Rosenfield Norman + Raymond	Lodging				1,049,910	6	0.45%	
T + S of CT LLC	Commercial				964,440	7	0.41%	
West Hartford Enterprise IV LLC	Apartments				1,224,800	3	0.52%	
Specyalski, Edmund Jr. + Adeline	Campground				959,380	8	0.41%	
TOTAL		\$ 20,920,190		5.79%	\$ 12,283,870		5.24%	

Source: Town Assessor Department

* Based on the Net Taxable Grand List for October 1, 2013 and October 1, 2004 of \$296,251,889 and \$234,172,380 respectively.

MANSFIELD								
Taxpayer	Nature of Business	2015			2006			
		Assessed Value	Rank	Percentage *	Assessed Value	Rank	Percentage *	
Connecticut Light & Power Co.	Public Utility	\$ 15,943,050	1	1.54%	\$ 8,963,410	1	1.02%	
Storrs Acquisition, fka U of C 242, LLC (Knollwood Acres, et all)	Apartments	10,798,720	2	1.04%	6,843,270	2	0.78%	
Eastbrook F LLC	Eastbrook Mall	10,104,920	3	0.98%	5,600,000	4	0.64%	
Leyland Storrs, LLC	Retail Condos	8,457,670	4	0.82%				
157-35 OAP Holdings LLC (Orchard Acres + Renwood Apt Complexes)	Apartments	7,906,840	5	0.76%	3,774,230	9	0.43%	
Celeron Square Assoc (Celeron Apts)	Apartments	7,510,580	6	0.72%	6,496,280	3	0.74%	
EDR Storrs LLC (Storrs Center)**	Apartment Condos	6,877,276	7	0.66%				
Colonial BT LLC (Colonial Townhouse, fka Foster Apts)	Apartments	5,390,000	8	0.52%	5,141,430	6	0.59%	
Glen Ridge Cooperative, Inc	Housing Co-Op	5,306,770	8	0.51%	4,270,490	7	0.49%	
Uconn Carriage LLC (Carriage House Apts)	Apartments	4,895,240	10	0.47%	3,956,470	8	0.45%	
New Samaritan Corp (Mansfield Center for Nursing & Rehab)	Nursing Home				5,318,250	5	0.61%	
Hayes-Kaufmann Mansfield Assoc. (Big Y Plaza)	Shopping Plaza				3,713,920	10	0.42%	
TOTAL		\$ 83,191,066		8.02%	\$ 54,077,750		6.17%	

Source: Town Assessor Department

* Based on the Net Taxable Grand List for October 1, 2013 and October 1, 2004 of \$1,036,252,379 and \$874,995,660

After fix assessment agreement with EDR Storrs LLC. (Assessment prior to agreement was: **\$32,458,670)

WILLINGTON								
Taxpayer	Nature of Business	2015			2006			
		Assessed Value	Rank	Percentage *	Assessed Value	Rank	Percentage *	
FEDEX Ground Package System fka Services Development Corp	Commercial Land & Building	\$ 20,949,420	1	4.81%	\$ 26,545,360	10	7.04%	
GLK Realty LTD Partnership	Apartments - 80 Cisar + 70 Pinney Hill	8,992,030	2	2.07%	7,297,940	2	1.93%	
UConn Cedar LLC fka Storrs Polo Run Limited Partnership	Apartments -- 43 + 60 Burt Latham Rd	6,538,050	3	1.50%	3,261,200		0.86%	
Connecticut Light & Power	Public Utility	5,839,700	4	1.34%	2,674,800	6	0.71%	
Willington Oak Apartments	Apartments - 380 Daleville Rd	5,632,102	5	1.29%	3,540,360	3	0.94%	
Royce Properties LLC	Travel Centers of America	4,154,030	6	0.95%	7,518,820	5	1.99%	
Perryridge Investors LLC	Apartments - 456 Tolland Turnpike	2,352,990	7	0.54%		8		
Edan Management Services Inc	Apartments - 87 Ruby Road	1,761,300	8	0.40%				
C & S Willington Ltd Partnership	Retail Plaza -- 11 + 15 Phelps Way	1,566,970	9	0.36%	1,647,970		0.44%	
Access Senior Housing of Willington	Elderly housing - 60A Old Farms Rd	1,547,690	10	0.36%		7		
Lawrence Becker	Land and Construction				2,250,590	1	0.60%	
Ruby Associates General Partnership	Machinery & Equipment				1,477,000	9	0.39%	
TOTAL		\$ 59,334,282		13.62%	\$ 56,214,040		14.90%	

Source: Town Assessor Department

* Based on the Net Taxable Grand List for October 1, 2013 and October 1, 2004 of \$435,119,604 and \$377,304,730

TABLE 8

**REGIONAL SCHOOL DISTRICT NO. 19
RATIO OF OUTSTANDING DEBT TO ASSESSED VALUE
AND DEBT PER CAPITA FOR MEMBER TOWNS
LAST TEN YEARS
(UNAUDITED)**

ASHFORD					
Year Ended June 30,	Estimated Population	Assessed Value*	Gross Debt at End of Year **	Gross Debt to Assessed Value	Bonded Debt per Capita
2006	4,280	\$ 234,172,380	\$ 5,939,262	2.5%	1,388
2007	4,415	240,891,580	5,315,819	2.2%	1,204
2008	4,444	244,354,305	4,712,051	1.9%	1,060
2009	4,453	342,395,708	4,175,529	1.2%	938
2010	4,467	341,100,209	3,659,376	1.1%	819
2011	4,470	344,239,289	3,287,500	1.0%	735
2012	4,319	346,928,697	2,944,610	1.0%	682
2013	4,307	298,266,960	2,640,000	0.9%	613
2014	4,284	298,542,280	2,390,000	0.8%	558
2015	4,284	296,104,314	2,155,000	0.7%	503

MANSFIELD					
Year Ended June 30,	Estimated Population	Assessed Value*	Gross Debt at End of Year **	Gross Debt to Assessed Value	Bonded Debt per Capita
2006	25,800	\$ 874,995,660	\$ 3,970,000	0.5%	154
2007	25,700	892,269,810	3,165,000	0.4%	123
2008	25,800	914,191,034	2,505,000	0.3%	97
2009	26,300	927,749,626	1,975,000	0.2%	75
2010	25,268	933,280,960	1,520,000	0.2%	60
2011	26,543	975,044,675	3,905,000	0.4%	147
2012	26,540	974,439,176	3,445,000	0.4%	130
2013	26,524	980,397,735	2,985,000	0.3%	113
2014	25,648	1,011,715,713	2,620,000	0.3%	102
2015	25,977	1,036,252,379	2,400,000	0.2%	92

WILLINGTON					
Year Ended June 30,	Estimated Population	Assessed Value*	Gross Debt at End of Year **	Gross Debt to Assessed Value	Bonded Debt per Capita
2006	6,356	\$ 377,304,730	\$ 780,000	0.2%	123
2007	6,248	387,682,695	3,585,000	0.9%	574
2008	6,396	393,258,856	3,240,000	0.8%	507
2009	6,396	398,084,923	2,895,000	0.7%	453
2010	6,396	469,106,385	2,550,000	0.5%	399
2011	6,041	471,739,202	2,400,000	0.5%	397
2012	6,068	475,939,278	2,250,000	0.5%	371
2013	6,033	479,096,785	2,100,000	0.4%	348
2014	5,965	479,767,749	1,950,000	0.0%	327
2015	5,934	435,119,604	1,800,000	0.4%	303

* Grand List is October 1 of two years prior to fiscal year end.

** Does not include credit for Connecticut Department of Education school building grants.

REGIONAL SCHOOL DISTRICT NO. 19
 RATIO OF DEBT SERVICE EXPENDITURES TO GENERAL GOVERNMENT EXPENDITURES
 FOR MEMBER TOWNS - BUDGETARY BASIS
 LAST TEN YEARS
 (UNAUDITED)

ASHFORD				
Year Ended June 30,	Gross Debt Service*		Total General Government Expenditures	Percent
2006	\$ 568,868	\$	12,348,959	4.6%
2007	623,443		13,339,803	4.7%
2008	554,240		13,531,267	4.1%
2009	536,522		13,487,724	4.0%
2010	516,153		13,708,915	3.8%
2011	499,209		13,648,657	3.7%
2012	342,890		13,746,190	2.5%
2013	345,441		14,320,958	2.4%
2014	306,386		13,451,679	2.3%
2015	298,550		14,274,586	2.1%
MANSFIELD				
Year Ended June 30,	Gross Debt Service*		Total General Government Expenditures	Percent
2005	\$ 1,241,507	\$	34,702,002	3.6%
2006	1,046,239		37,639,147	2.8%
2007	981,482		38,843,824	2.5%
2008	796,082		41,336,962	1.9%
2009	712,336		43,282,432	1.6%
2010	663,948		41,857,750	1.6%
2011	785,397		42,185,885	1.9%
2012	876,999		44,096,077	2.0%
2013	842,086		45,273,835	1.9%
2014	635,650		46,952,763	1.4%
2015	364,944		47,634,351	0.8%
WILLINGTON				
Year Ended June 30,	Gross Debt Service*		Total General Government Expenditures	Percent
2006	\$ 240,081	\$	13,740,920	1.7%
2007	291,556		14,403,698	2.0%
2008	488,673		14,755,228	3.3%
2009	470,968		14,959,716	3.1%
2010	453,348		14,713,597	3.1%
2011	247,313		15,281,818	1.6%
2012	241,500		15,384,822	1.6%
2013	235,875		15,868,457	1.5%
2014	230,250		15,964,900	1.4%
2015	223,688		16,533,571	1.4%

* Does not include credit for Connecticut Department of Education school building grants.

**REGIONAL SCHOOL DISTRICT NO. 19
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS
(UNAUDITED)**

<u>Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>School Construction Grants Receivable</u>	<u>Gross Debt Per Student</u>	<u>Net Debt Per Student</u>
2006	\$ 20,781,851	\$ 14,947,893	\$ 16,839	\$ 5,069
2007	19,127,114	13,743,374	16,359	4,935
2008	17,452,377	12,543,076	15,063	4,540
2009	16,062,040	11,258,503	13,473	4,153
2010	14,090,703	9,919,024	11,636	3,445
2011	14,249,713	8,559,114	11,934	4,766
2012	12,221,486	7,185,586	10,126	4,172
2013	10,086,259	5,822,269	8,220	3,475
2014	8,146,032	4,472,576	6,727	3,033
2015	6,065,805	3,133,096	6,771	4,167

NOTE: School construction grants are for principal on debt service related payments for school construction. Details regarding the District's outstanding debt can be found in the notes to the financial statements.

**REGIONAL SCHOOL DISTRICT NO. 19
 RATIO OF DEBT SERVICE EXPENDITURES TO SCHOOL EXPENDITURES
 GAAP BASIS
 LAST TEN YEARS
 GENERAL AND SPECIAL REVENUE FUNDS
 (UNAUDITED)**

Year Ended June 30,	Gross Debt Service	Total School Expenditures	Percent
2006	\$ 2,528,796	\$ 16,847,494	15.0%
2007	2,546,667	17,222,738	14.8%
2008	2,497,998	21,797,757	11.5%
2009	2,536,641	20,043,184	12.7%
2010	2,492,373	20,308,173	12.3%
2011	2,455,204	21,043,585	11.7%
2012	2,435,287	21,670,005	11.2%
2013	2,494,691	21,789,194	11.4%
2014	2,400,525	22,579,516	10.6%
2015	2,300,837	22,936,101	10.2%

**REGIONAL SCHOOL DISTRICT NO. 19
DISTRICT AND MEMBER TOWN INDEBTEDNESS AND
COMPUTATION OF DEBT LIMIT AND DEBT MARGIN - THE DISTRICT
JUNE 30, 2015
(UNAUDITED)**

	<u>Town of</u>			<u>Total</u>
	<u>Ashford</u>	<u>Mansfield</u>	<u>Willington</u>	
Total Fiscal Year 2014-15 Tax Collections (including interest and tax lien fees)	\$ <u>9,573,853</u>	\$ <u>28,761,769</u>	\$ <u>12,025,941</u>	\$ <u>50,361,563</u>
Debt Limit: Limit for School Building Purposes (2.25 times base)				\$ <u>113,313,517</u>
Indebtedness: Bonds Outstanding				6,065,805
Less: State Grants Receivable				<u>(3,133,096)</u>
Net Indebtedness				<u>2,932,709</u>
Debt Limitation in Excess of Net Indebtedness				\$ <u>110,380,808</u>

**REGIONAL SCHOOL DISTRICT NO. 19
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS**

Year Ended June 30,	Debt Limit	Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable
2006	\$ 81,407,808	\$ 5,833,958	\$ 75,573,850	7.17%
2007	86,565,123	5,383,740	81,181,383	6.22%
2008	90,643,671	4,909,301	85,734,370	5.42%
2009	95,907,029	4,803,537	91,103,492	5.01%
2010	97,637,573	4,171,679	93,465,894	4.27%
2011	102,460,156	5,690,599	96,769,557	5.55%
2012	102,859,504	5,035,900	97,823,604	4.90%
2013	107,437,073	4,263,990	103,173,083	3.97%
2014	113,313,517	2,932,709	110,380,808	2.59%
2015	113,313,517	5,012,936	108,300,581	4.42%

**REGIONAL SCHOOL DISTRICT NO. 19
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(UNAUDITED)**

Year Ended June 30,	(1a) Population	(2) Unemployment Rate	(3) Graduation Rate	(3) Average Daily Attendance
2006	36,436	3.5%	90.7%	95.9%
2007	36,363	4.1%	94.6%	93.7%
2008	36,640 (1b)	4.5%	89.7%	96.4%
2009	37,149	6.7%	(1c) 89.0%	* 93.0% *
2010	36,131	6.9%	92.0%	96.0%
2011	37,054	7.5%	92.0%	95.7%
2012	36,927	7.0%	95.0%	95.1%
2013	36,864	8.5%	97.0%	95.9%
2014	35,897	7.2%	98.0%	93.8%
2015	36,195	5.8%	95.0%	95.9%

(1a) Source: Table 8

(1b) Source: RBOE estimates

(1c) Source: RBOE estimates

(2) Source: State of Connecticut, Department of Labor-LAUS Tolland County
<http://www1.ctdol.state.ct.us/lmi/laus/lmi123.asp>

(3) District records

* Estimated

**TABLE 15
(1 of 3)**

**REGIONAL SCHOOL DISTRICT NO. 19
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

EMPLOYER	ASHFORD					
	2015			2009*		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Ashford BOE	102	1	4.36%	102	1	4%
Town of Ashford	45	2	1.92%	45	2	2%
Pith Products	14	3	0.60%	N/A	N/A	N/A
Midway Restaurant	12	4	0.51%	N/A	N/A	N/A
North Veterinary Clinic	12	5	0.51%	N/A	N/A	N/A
	<u>185</u>		<u>7.9%</u>	<u>147</u>		<u>5.9%</u>

* Data not available prior to 2009

N/A - Information not available

**TABLE 15
(2 of 3)**

**REGIONAL SCHOOL DISTRICT NO. 19
PRINCIPAL EMPLOYERS (CONTINUED)
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

EMPLOYER	MANSFIELD					
	2015			2008*		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
University of Connecticut	4,816	1	41%	4,555	1	36%
Town of Mansfield	565	2	5%	419	2	3%
Natchaug Hospital, Inc.	500-999	3	5%	N/A	5	N/A
Big Y	100-249	4	1%			
Hospice of Eastern Connecticut	100-249	4	1%			
Mansfield Nursing and Rehab Ctr	100-249	4	1%			
Regional School District No. 19	219	5	2%	171	4	1%
Bergin Correctional Institute				227	3	2%
TOTAL	<u>6,400 - 7,346</u>		<u>56.0%</u>	<u>5,372</u>		<u>42.7%</u>

NOTE: Total employment for Town & Region 19 are based on the budget

* Data not available before 2008

N/A - Information not available

TABLE 15
(3 of 3)

REGIONAL SCHOOL DISTRICT NO. 19
PRINCIPAL EMPLOYERS (CONTINUED)
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

WILLINGTON						
Employer	2015			2009*		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Fed Ex Ground	695	1	19.4%	600	1	16%
Town of Willington	132	2	3.7%	170	2	5%
Travel Centers of America	123	3	3.4%	141	3	4%
Willington Pizza	65	4	1.8%	120	4	3%
St of CT - Department of Transportation	33	5	0.9%	N/A	5	N/A
Total	1,048		29.2%	1,031		27.8%

* Data not available before 2009

N/A - Information not available

**REGIONAL SCHOOL DISTRICT NO. 19
EDWIN O. SMITH HIGH SCHOOL ENROLLMENT
JUNE 30, 2015
(UNAUDITED)**

Year Ended June 30,	Ashford	Mansfield	Willington	Other Tuition	Total
2006	259	664	293	54	1,270
2007	241	657	252	53	1,203
2008	223	634	261	74	1,192
2009	240	642	258	68	1,208
2010	235	623	280	73	1,211
2011	229	615	277	73	1,194
2012	225	585	279	118	1,207
2013	218	604	248	157	1,227
2014	201	573	237	200	1,211
2015	192	551	227	233	1,203
PROJECTED:					
2016	183	579	205	217	1,184
2017	171	570	212	217	1,170

Source: Region 19 Budget

TABLE 17

**REGIONAL SCHOOL DISTRICT NO. 19
 FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN YEARS
 (UNAUDITED)**

<u>Function/Program</u>	<u>Full-Time Equivalent Employees</u>									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Instructional programs	117.0	117.0	114.2	112.2	111.6	110.3	115.9	117.4	114.4	114.2
Guidance services	11.0	11.0	11.0	11.0	11.0	11.0	12.0	12.0	12.0	12.0
Educational media	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
General administration	40.1	40.1	38.1	38.1	38.1	38.1	20.4	19.4	18.4	18.4
Other							18.5	18.5	18.0	18.0
TOTAL	<u>172.1</u>	<u>172.1</u>	<u>167.3</u>	<u>165.3</u>	<u>164.7</u>	<u>163.4</u>	<u>170.8</u>	<u>171.3</u>	<u>166.8</u>	<u>166.6</u>

Source: Region 19 Budget

TABLE 18

**REGIONAL SCHOOL DISTRICT NO. 19
OPERATING STATISTICS
LAST TEN YEARS
(UNAUDITED)**

Year Ended June 30,	Expenses	Enrollment	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Student Attendance Percentage
2006	\$ 18,610,165	1,270	14,654	4.5%	101.4	12.5	95.9%
2007	18,977,414	1,203	15,775	7.7%	102.6	11.7	93.7%
2008	23,769,135	1,192	19,941	26.4%	103.3	11.5	84.6%
2009	22,203,961	1,208	18,381	-7.8%	104.0	11.6	83.6%
2010	21,892,895	1,211	18,078	-1.6%	105.0	11.5	81.1%
2011	22,643,630	1,194	18,965	4.9%	105.0	11.4	95.7%
2012	23,286,053	1,207	19,293	1.7%	105.6	11.4	95.7%
2013	23,658,051	1,227	19,281	-0.1%	107.6	11.4	95.7%
2014	24,142,265	1,211	19,936	3.4%	111.0	10.9	93.8%
2015	24,469,704	1,203	20,068	0.7%	111.0	10.8	95.9%

SOURCE: School enrollment and employee records

**REGIONAL SCHOOL DISTRICT NO. 19
SCHOOL BUILDING INFORMATION
LAST TEN YEARS
(UNAUDITED)**

	Fiscal Year Ended June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
E.O. Smith High School										
Originally constructed	1958									
Last renovation	2000									
Square feet	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000
Capacity (students)	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Enrollment	1,203	1,211	1,227	1,207	1,194	1,211	1,208	1,192	1,203	1,270

SOURCE: Building Maintenance Department and School enrollment records