

TOWN OF WEST BATH SCHOOL DEPARTMENT
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JUNE 30, 2017

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INDEPENDENT AUDITORS' REPORT

Town of West Bath School Board
West Bath School Department
126 New Meadows Road
West Bath, Maine 04530

We have audited the accompanying financial statements of the Town of West Bath School Department, a department of the Town of West Bath, as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the school's basic financial statements, as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Town of West Bath School Department as of June 30, 2017 and 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on Exhibit C and Schedule B-1 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of West Bath School Department's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards and the Reconciliation of Audit Adjustments to NEO Financial System is presented for purposes of additional analysis as required by Maine Department of Education, and is also not a required part of the basic financial statements.

The fund financial statements and the Schedule of Expenditures of Federal Awards and the Reconciliation of Audit Adjustments to NEO Financial System 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 fund financial statements and the Schedule of Expenditures of Federal Awards and the Reconciliation of Audit Adjustments to NEO Financial System are fairly stated in all material respects in relation to the basic financial statements as a whole.

Emphasis of Matter

As discussed in Note A, the financial statements of the Town of West Bath School Department are intended to present the financial position, the changes in financial position, and, where applicable, cash flows of only that portion of governmental activities, the business-type activities, and each major fund of the Town of West Bath that is attributable to the transactions of the School Department. They do not purport to, and do not present fairly the financial position of the Town of West Bath as of June 30, 2017, the changes in its financial position, or, where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

October 20, 2017

Bath, Maine

WILLIAM H. BREWER

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INDEPENDENT AUDITORS' REPORT ON
COMPLIANCE WITH STATE STATUTE REQUIREMENTS

Town of West Bath School Board
West Bath School Department
126 New Meadows Road
West Bath, Maine 04530

We have audited the general purpose financial statements of the Town of West Bath School Department as of and for the years ended June 30, 2017 and 2016, and have issued our report thereon dated October 20, 2017.

The management of the Town of West Bath School Department is responsible for the School's compliance with laws and regulations. In connection with the audit referred to above, we selected and tested transactions and records to determine the School's compliance with laws and regulations, noncompliance with which could have a material effect on the financial statements of the Town of West Bath School Department.

Title 20-A Sec. 6051 requires certain written assurances with respect to school audits. Our audit of compliance with the laws and regulations consisted of, at a minimum, the following:

1. A determination of whether or not the school has complied with budget content requirements pursuant to section 15693, subsection 1 and cost center summary budget format requirement pursuant to sections 1305-C, 1485, 1701-C and 2307.
2. A determination of whether or not the school has exceeded its authority to expend funds.
3. A determination of whether or not the annual financial data submitted to the department is correct.
4. A determination of whether or not the Region was in compliance with applicable provisions of the Essential Programs and Services Funding Act pursuant to chapter 606-B, §15671.

The results of our tests indicate that, for the items tested, the Town of West Bath School Department complied with those provisions of Maine laws and regulations. Nothing came to our attention that caused us to believe that, for the items not tested, the Town of West Bath School Department was not in compliance with Maine laws and regulations.

October 20, 2017

Bath, Maine

TOWN OF WEST BATH SCHOOL DEPARTMENT
BALANCE SHEETS - GOVERNMENTAL FUNDS
JUNE 30, 2017 AND 2016

	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	DESIGNATED RESERVES	SCHOOL LUNCH	TOTALS (MEMORANDUM ONLY)	
						2017	2016
ASSETS:							
Cash	\$ 265,330.57	\$ -	\$ -	\$ -	\$ 16.18	\$ 265,346.75	\$ 123,518.04
Due From Other Funds	260,637.17	8,267.70	8,219.36	60,000.00	13,201.10	350,325.33	402,294.42
Accounts Receivable	3,351.29	9,862.79			5,416.89	18,630.97	93,202.13
Inventory					2,422.64	2,422.64	2,041.74
Prepaid Expenses	36,830.00					36,830.00	94,352.75
Total Assets	\$ 566,149.03	\$ 18,130.49	\$ 8,219.36	\$ 60,000.00	\$ 21,056.81	\$ 673,555.69	\$ 715,409.08
LIABILITIES AND FUND BALANCE:							
Liabilities:							
Accounts Payable	\$ 7,122.92	\$ -	\$ -	\$ -	\$ 1,779.11	\$ 8,902.03	\$ 3,619.26
Payroll Liabilities	2,016.87					2,016.87	1,292.12
Accrued Payroll	117,631.44					117,631.44	108,623.15
Due To Other Funds	89,688.16	9,862.79				99,550.95	120,066.37
Total Liabilities	\$ 216,459.39	\$ 9,862.79	\$ -	\$ -	\$ 1,779.11	\$ 228,101.29	\$ 233,600.90
Fund Balance (Exhibit B):							
Restricted	\$ -	\$ 8,267.70	\$ -	\$ -	\$ 2,422.64	\$ 10,690.34	\$ 9,229.51
Committed (Note G)			8,219.36	60,000.00		68,219.36	8,219.36
Assigned	346,244.34					346,244.34	169,717.76
Unassigned	3,445.30				16,855.06	20,300.36	294,641.55
Total Fund Balance	\$ 349,689.64	\$ 8,267.70	\$ 8,219.36	\$ 60,000.00	\$ 19,277.70	\$ 445,454.40	\$ 481,808.18
Total Liabilities and Fund Balance	\$ 566,149.03	\$ 18,130.49	\$ 8,219.36	\$ 60,000.00	\$ 21,056.81	\$ 673,555.69	\$ 715,409.08

The accompanying notes are an integral part of the financial statements

TOWN OF WEST BATH SCHOOL DEPARTMENT
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - GOVERNMENTAL FUNDS
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	DESIGNATED RESERVES	TOTALS (MEMORANDUM ONLY)	
					2017	2016
REVENUES:						
Local Appropriation	\$ 2,897,177.00	\$ -	\$ -	\$ -	\$ 2,897,177.00	\$ 2,878,108.00
Intergovernmental Revenue	112,558.92				112,558.92	135,161.64
Federal and State Grants		133,949.65			133,949.65	85,165.37
Tuition - Individual Elementary	222,713.80				222,713.80	235,259.92
Maine State Retirement on Behalf Payments (Note D)	91,893.92				91,893.92	77,115.27
Interest Income	692.16				692.16	143.72
Total Revenues	\$ 3,325,035.80	\$ 133,949.65	\$ -	\$ -	\$ 3,458,985.45	\$ 3,410,953.92
EXPENDITURES:						
Regular Instruction	\$ 1,873,099.93	\$ -	\$ -	\$ -	\$ 1,873,099.93	\$ 1,708,184.60
Special Education Instruction	568,681.83				568,681.83	380,393.15
Other Instruction	3,668.72				3,668.72	5,005.09
Student and Staff Support	186,049.05				186,049.05	176,225.18
System Administration	74,163.68				74,163.68	81,357.85
School Administration	187,979.69				187,979.69	174,031.85
Transportation and Buses	130,287.62				130,287.62	111,248.83
Facilities Maintenance	201,057.19				201,057.19	147,485.16
Maine State Retirement on Behalf Payments (Note D)	91,893.92				91,893.92	77,115.27
Program Expenses		132,869.72			132,869.72	77,977.60
Capital Expenditures						138,780.64
Startup Expenses						22,747.31
Total Expenditures	\$ 3,316,881.63	\$ 132,869.72	\$ -	\$ -	\$ 3,449,751.35	\$ 3,100,552.53
Excess of Revenues Over Expenditures	\$ 8,154.17	\$ 1,079.93	\$ -	\$ -	\$ 9,234.10	\$ 310,401.39
OTHER FINANCING SOURCES (USES):						
Operating Transfers - In	\$ -	\$ -	\$ -	\$ 60,000.00	\$ 60,000.00	\$ 200,000.00
Operating Transfers - Out	(90,000.00)				(90,000.00)	(63,458.79)
Total Other Financing Sources (Uses)	\$ (90,000.00)	\$ -	\$ -	\$ 60,000.00	\$ (30,000.00)	\$ 136,541.21
Excess of Revenues and Other Sources Over Expenditures and Other Uses	\$ (81,845.83)	\$ 1,079.93	\$ -	\$ 60,000.00	\$ (20,765.90)	\$ 446,942.60
Fund Balance, July 1	431,535.47	7,187.77	8,219.36		446,942.60	
Fund Balance, June 30	\$ 349,689.64	\$ 8,267.70	\$ 8,219.36	\$ 60,000.00	\$ 426,176.70	\$ 446,942.60

The accompanying notes are an integral part of the financial statements

TOWN OF WEST BATH SCHOOL DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE
IN FUND BALANCE - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	GENERAL FUND			VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES:				
Local Appropriation	\$ 2,897,176.12	\$ 2,897,176.12	\$ 2,897,177.00	\$ 0.88
State Subsidy	112,558.95	112,558.95	112,558.92	(0.03)
Maine State Retirement on Behalf Payments (Note D)			91,893.92	91,893.92
Interest			692.16	692.16
Tuition - Individual Elementary	189,175.00	189,175.00	222,713.80	33,538.80
Total Revenues	\$ 3,198,910.07	\$ 3,198,910.07	\$ 3,325,035.80	\$ 126,125.73
EXPENDITURES:				
Regular Instruction	\$ 2,012,839.17	\$ 2,012,839.17	\$ 1,873,099.93	\$ 139,739.24
Special Education Instruction	465,800.17	658,727.38	568,681.83	90,045.55
Other Instruction	4,500.00	4,500.00	3,668.72	831.28
Student and Staff Support	233,986.17	233,986.17	186,049.05	47,937.12
System Administration	70,724.85	74,163.68	74,163.68	
School Administration	186,557.41	187,979.69	187,979.69	
Transportation	141,520.06	141,520.06	130,287.62	11,232.44
Facilities Maintenance	222,700.00	222,700.00	201,057.19	21,642.81
Maine State Retirement on Behalf Payments (Note D)			91,893.92	(91,893.92)
Total Expenditures	\$ 3,338,627.83	\$ 3,536,416.15	\$ 3,316,881.63	\$ 219,534.52
Excess of Revenues Over (Under) Expenditures	\$ (139,717.76)	\$ (337,506.08)	\$ 8,154.17	\$ 345,660.25
OTHER FINANCING SOURCES (USES):				
Operating Transfers - In	\$ -	\$ -	\$ -	\$ -
Operating Transfers - Out	(30,000.00)	(30,000.00)	(90,000.00)	(60,000.00)
Total Other Financing Sources (Uses)	\$ (30,000.00)	\$ (30,000.00)	\$ (90,000.00)	\$ (60,000.00)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (169,717.76)	\$ (367,506.08)	\$ (81,845.83)	\$ 285,660.25
Fund Balance, July 1, 2016	169,717.76	367,506.08	431,535.47	64,029.39
Fund Balance, June 30, 2017	\$ -	\$ -	\$ 349,689.64	\$ 349,689.64

The accompanying notes are an integral part of the financial statements

TOWN OF WEST BATH SCHOOL DEPARTMENT
STATEMENTS OF FIDUCIARY NET ASSETS
JUNE 30, 2017 AND 2016

AGENCY

	<u>2017</u>	<u>2016</u>
ASSETS:		
Cash	\$ 2,416.46	\$ 9,199.44
Total Assets	<u>\$ 2,416.46</u>	<u>\$ 9,199.44</u>
LIABILITIES:		
Accounts Payable	\$ 2,416.46	\$ 9,199.44
Total Liabilities	<u>\$ 2,416.46</u>	<u>\$ 9,199.44</u>

STATEMENTS OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
PROPRIETARY FUND - SCHOOL NUTRITION PROGRAM
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
REVENUES:		
Daily Sales	\$ 24,564.91	\$ 22,959.75
School Nutrition Subsidy	25,495.74	25,347.77
Donated Commodities (Note H)	2,407.52	2,781.57
Total Revenues	<u>\$ 52,468.17</u>	<u>\$ 51,089.09</u>
EXPENDITURES:		
Salaries	\$ 52,764.09	\$ 45,799.64
Benefits	3,757.78	3,623.26
Food (Note H)	12,803.74	27,721.14
Supplies	27,880.40	2,401.51
Account Writeoffs/Miscellaneous Fees	259.70	136.75
Kitchen Equipment Maintenance	590.34	
Total Expenditures	<u>\$ 98,056.05</u>	<u>\$ 79,682.30</u>
Excess of Expenditures Over Revenues	\$ (45,587.88)	\$ (28,593.21)
Other Financing Sources:		
Transfers in from General Fund	30,000.00	63,458.79
Changes in Net Position	<u>\$ (15,587.88)</u>	<u>\$ 34,865.58</u>
Net Position, July 1	34,865.58	
Net Position, June 30	<u>\$ 19,277.70</u>	<u>\$ 34,865.58</u>

TOWN OF WEST BATH SCHOOL DEPARTMENT
 STATEMENTS OF CASH FLOWS
 PROPRIETARY FUND - SCHOOL NUTRITION PROGRAM
 FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Users	\$ 24,564.91	\$ 22,959.75
Receipts from the State	20,078.85	17,867.49
Payments to Employees	(56,521.87)	(49,422.90)
Payments to Vendors	(39,755.07)	(27,414.68)
Funds held by Town of West Bath	51,633.18	36,010.34
	\$ -	\$ -
Net Cash Provided by Operating Activities	\$ -	\$ -
Increase in Cash	\$ -	\$ -
Cash Balance, July 1	\$ -	\$ -
Cash Balance, June 30	\$ -	\$ -
RECEIVED FROM THE DEPARTMENT OF AGRICULTURE	\$ 2,407.52	\$ 2,781.57

The accompanying notes are an integral part of the financial statements

TOWN OF WEST BATH SCHOOL DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Town of West Bath School Department conform to generally accepted accounting principles as applicable to governmental units.

1. Financial Reporting Entity

The Town of West Bath School Department operates as a department of the Town of West Bath, Maine, the basic financial statements of which have been issued in a separate report dated October 18, 2017 for the year ended June 30, 2017.

The accompanying financial statements present only the Town of West Bath School Department's operations and are not intended to present fairly the financial position and results of operations of the Town of West Bath, Maine in conformity with accounting principles generally accepted in the United States of America. Certain disclosures relevant to both the Town of West Bath and the Town of West Bath School Department are omitted herein and have been disclosed in the Town's basic financial statements.

MRSA Title 20-A Section 15003 requires the Town of West Bath School Department to report on a July 1 to June 30 fiscal year.

2. Total Columns on Combined Statements

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

3. Basis of Presentation

The accounts of the Town of West Bath School Department are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. The various funds are grouped by type in the financial statements.

Governmental Funds

General Fund - The general fund is the general operating fund of the School Department. All revenues that are not allocated by law or contractual agreement to another fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges, and the capital improvement costs that are not paid through other funds.

Special Revenue Fund - Special revenue funds are used to account for the revenues derived from specific sources (i.e. federal and state grants) and to facilitate the management of financial resources internally "designated" for specific purposes.

Capital Project Fund - Capital project funds are used to fund major improvements to the school buildings.

Designated Reserve - Designated reserve funds are used to fund specific purposes approved by the townspeople of the Town of West Bath.

TOWN OF WEST BATH SCHOOL DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

3. Basis of Presentation (Cont'd)

Fiduciary Fund

Agency Funds - Agency funds are used to account for assets held by the Town of West Bath School Department in an agency capacity. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation.

Proprietary Fund

The Proprietary Fund is the fund used to account for all financial resources relating to the School Nutrition Program.

4. Basis of Accounting

The modified accrual basis of accounting is followed by the general, special revenue, designated reserve and capital projects funds. The modified accrual basis of accounting is defined as the basis of accounting under which expenditures are recorded as incurred and revenues are recorded when received in cash except for material and/or available revenues which are accrued to reflect properly the assessments levied and the revenues earned.

5. Use of Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

6. Inventory

Inventory consists of school lunch food and is recorded at cost on the first-in, first-out basis.

7. Financial Statement Amounts

In accordance with GASB Statement No. 54, the school employs terminology and classifications for fund balance items as follows:

Restricted fund balances are amounts that can be used only for specific purposes because of legislation or restrictions imposed by donors. The fund balance of the Special Revenue Fund is classified as restricted.

Committed fund balances are amounts that can be used only for specific purposes because of a formal action taken by town government. The fund balance in the Capital Projects Fund and Designated Reserve Fund are in this category.

TOWN OF WEST BATH SCHOOL DEPARTMENT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

7. Financial Statement Amounts (Cont'd)

Assigned fund balances are resources that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned fund balance is all amounts in the General Fund that are not assigned to another category. Only the General Fund can have an unassigned fund balance.

NOTE B - CASH AND CASH EQUIVALENTS:

The Town of West Bath School Department's cash consists of deposits with financial institutions. Deposits are categorized as follows to give an indication of the level of risk assumed by the district at year-end: category one (1) includes deposits covered by federal depository insurance or by collateral held by the district or by the district's agent in the district's name; category two (2) includes uninsured deposits covered by collateral held by the pledging financial institution's trust department or agent in the district's name; category three (3) includes uninsured and uncollateralized deposits.

At June 30, 2017, cash and cash equivalents consisted of:

	CARRYING AMOUNT	BANK BALANCE	CATEGORY		
			#1	#2	#3
Checking and Savings Accounts	\$ 267,763.21	\$ 409,633.35	\$ 409,633.35		

NOTE C - GENERAL FUND BUDGET:

The Town of West Bath School Department operates on a gross budget. All revenues are estimated. The unexpended balance is carried forward each year as required by MRSA Title 20-A, Section 15004.

At the annual town meeting, held in March of each year, the townspeople vote on various articles on which amounts for appropriation have been recommended by the school committee and/or the budget committee.

NOTE D - RETIREMENT PLAN:

Public school teachers contribute to the Maine Public Employees Retirement System ("System"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for public school teachers, state employees (except as members of the judiciary and legislature who are covered under the Judicial and Legislative Retirement Systems) and political subdivisions. The System also provides retirement, death, disability, and health insurance benefits. These benefit provisions and all other requirements are established by state statute. The MainePERS issues a publicly available financial report that includes financial statements and required supplementary information for the teachers group. This report may be obtained by calling 1-800-451-9800.

TOWN OF WEST BATH SCHOOL DEPARTMENT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2017

NOTE D - RETIREMENT PLAN (CONT'D):

Teachers are required to contribute 7.65% of their annual salary to the System. The Town of West Bath School Department paid an additional 3.36% of teachers' payroll which is reflected in expenses on the Statement of Revenues and Expenditures. The only exception is the contribution required for federally funded teachers for which the Town of West Bath contributes 10.57% of their compensation and is charged to the grant. Current year expense for federally funded teachers totaled \$84,697.62. This cost amounted to \$8,952.55 for the year ended June 30, 2017. The State of Maine contributes the remaining amounts necessary to fund the System, using the actuarial basis specified by statute. The covered payroll for teachers is approximately \$1,001,802.53. As required by Accounting Standards, the amount paid on behalf of the School Department by the State of Maine has been recorded as revenue and an expenditure, which amounted to approximately \$91,894.00.

NOTE E - RISK MANAGEMENT:

The School Department is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. All significant losses are covered by commercial insurance. There has been no significant reduction in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE F - EXPENDITURES IN EXCESS OF APPROPRIATION:

During the year expenditures exceeded total appropriations in the following general fund categories:

<u>FUNCTION</u>	<u>APPROPRIATION</u>	<u>EXPENDITURES</u>	<u>VARIANCE</u>
Maine State Retirement on Behalf Payments	\$	\$ 91,893.92	\$ (91,893.92)

Maine State Retirement on Behalf Payments are not budgeted and are offset by a corresponding revenue account. Total budgetary authority was under-expended by \$311,428.44.

NOTE G - COMMITTED FUND BALANCE:

The Town of West Bath transferred money to the West Bath School Department for startup costs and repairs to the building and property. At June 30, 2017, a balance remained of \$8,219.36, which was classified as Committed Fund Balance on the School's balance sheet.

The Town of West Bath designated \$60,000.00 to be set aside for future special education expenses. At June 30, 2017 the balance was \$60,000.00, which was classified as committed fund balance on the school's balance sheet.

NOTE H - DONATED COMMODITIES:

The School Lunch Fund received food with a value of \$2,407.52 from the U.S. Department of Agriculture during the year. These amounts are included in revenue and food expense on the financial statements. There were no donated commodities on hand at year end.

TOWN OF WEST BATH SCHOOL DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE I - TUITION CREDIT:

To the extent that any RSU 1 students choose to attend the Town of West Bath School Department as grandfathered students pursuant to Sections 3 (b)(ii) and/or 3 (c)(iv) of the Withdrawal Agreement, the Town of West Bath School Department shall not charge tuition for those students for the applicable school year, and RSU 1 shall give the Town of West Bath School Department a credit against the tuition for that year for West Bath students in grades K-12 attending RSU 1 schools. The amount of the credit shall be determined by multiplying the number of grandfathered RSU 1 students attending the Town of West Bath School Department each year by the Town of West Bath School Department elementary tuition rate for that year. Any unused credit may not be carried forward from one year to the next. In no event shall Town of West Bath School Department pay less tuition to RSU 1 than the amount required as the guaranteed floor. In the current year \$222,713.80 in tuition credit was used by RSU 1 for tuition costs.

NOTE J - SUBSEQUENT EVENTS:

The Town of West Bath School Department has evaluated subsequent events through October 20, 2017, the date the financial statements were available to be issued. No subsequent events were identified which require accrual or disclosure.

TOWN OF WEST BATH SCHOOL DEPARTMENT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	REVENUES	EXPENDITURES
Balance, July 1, 2016	\$ 169,717.76	\$ 367,506.08	-	\$ 431,535.47
REVENUES:				
Local Allocation	\$ 2,897,176.12	\$ 2,897,176.12	\$ 2,897,177.00	
State Subsidy	112,558.95	112,558.95	112,558.92	
Tuition - Individual Elementary	189,175.00	189,175.00	222,713.80	
Interest			692.16	
Total Revenues	<u>\$ 3,198,910.07</u>	<u>\$ 3,198,910.07</u>		<u>3,233,141.88</u>
Total Funds Available	<u>\$ 3,368,627.83</u>	<u>\$ 3,566,416.15</u>		<u>\$ 3,664,677.35</u>
EXPENDITURES:				
INSTRUCTION:				
ELEMENTARY:				
Salaries - Professional	\$ 543,674.00	\$ 543,674.00		\$ 533,878.63
Salaries - Ed Techs	27,963.28	27,963.28		27,788.58
Salaries - Substitutes	7,500.00	7,500.00		8,974.21
Salaries - Long Term Substitutes	3,000.00	3,000.00		455.65
Health Insurance - Professional	169,801.20	169,801.20		147,819.31
Health Insurance - Ed Tech	20,833.00	20,833.00		18,511.39
Social Security - Professional	7,596.64	7,596.64		7,487.49
Social Security - Ed Techs	383.65	383.65		364.70
Social Security - Substitutes	400.00	400.00		404.59
Social Security - Long Term Subs	150.00	150.00		219.94
Retirement - Professional	19,508.79	19,508.79		17,511.04
Retirement - Ed Techs	893.09	893.09		939.49
Retirement - Substitutes				152.85
Retirement - Long Term Subs	160.00	160.00		15.31
Unemployment - Professional	1,041.60	1,041.60		33.60
Unemployment - Ed Techs	85.75	85.75		
Unemployment - Substitutes	53.00	53.00		
Unemployment - Long Term Subs	42.00	42.00		
Workers' Comp - Professional	2,995.08	2,995.08		2,341.32
Workers' Comp - Ed Techs	145.52	145.52		110.46
Workers' Comp - Substitutes	56.00	56.00		2,391.72
Staff Development	2,000.00	2,000.00		
Repairs/Maintenance	750.00	750.00		
Tuition - Elementary - Public	398,262.60	398,262.60		406,558.25
Supplies Instructional	24,266.49	24,266.49		23,732.06
Instructional Equipment	14,628.49	14,628.49		14,687.44
	<u>\$ 1,246,190.18</u>	<u>\$ 1,246,190.18</u>		<u>\$ 1,214,378.03</u>
PRE-K PROGRAM:				
Salaries - Stipends	\$ 800.00	\$ 800.00		\$ 650.00
Pre-K Stipend				9.13
Retirement - Stipends	21.20	21.20		21.83
Unemployment - Stipends	5.60	5.60		
Workers' Comp - Stipends	3.84	3.84		
Professional Education Services	48,000.00	48,000.00		40,500.00
Supplies - Ready, Set, Go	150.00	150.00		455.70
	<u>\$ 48,980.64</u>	<u>\$ 48,980.64</u>		<u>41,636.66</u>

TOWN OF WEST BATH SCHOOL DEPARTMENT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	REVENUES	EXPENDITURES	
EXPENDITURES (CONT'D):					
INSTRUCTION (CONT'D):					
INSTRUCTION - SECONDARY:					
Tuition - Secondary - Public	\$ 634,826.49	\$ 634,826.49		\$ 541,742.95	
Tuition - Secondary - Private	42,805.00	42,805.00		39,446.64	
	<u>\$ 677,631.49</u>	<u>\$ 677,631.49</u>			\$ 581,189.59
RESOURCE CLASS PLACEMENT:					
Salaries - Professional	\$ 87,350.00	\$ 87,350.00		\$ 99,052.22	
Salaries - Ed Techs	57,131.14	57,131.14		69,031.11	
Salaries - Substitutes	3,000.00	3,000.00			
Salaries - Long Term Substitutes	3,000.00	3,000.00			
Health Insurance - Professional	29,345.00	29,345.00		26,338.03	
Health Insurance - Ed Techs	30,556.00	30,556.00		35,993.90	
Social Security - Professional	1,623.32	1,623.32		1,418.64	
Social Security - Ed Techs	774.64	774.64		972.56	
Social Security - Substitutes	73.00	73.00			
Social Security - Long Term Subs	87.00	87.00			
Retirement - Professional	2,946.19	2,946.19		4,105.61	
Retirement - Ed Techs	1,486.45	1,486.45		2,331.31	
Retirement - Ed Techs	133.00	133.00			
Retirement - Long Term Subs	159.00	159.00			
Unemployment - Professional	168.00	168.00			
Unemployment - Ed Techs	33.60	33.60			
Unemployment - Substitutes	35.00	35.00			
Unemployment - Long Term Subs	42.00	42.00			
Workers' Comp - Professional	668.16	668.16		460.11	
Workers' Comp - Ed Techs	293.84	293.84		177.55	
Workers' Comp - Substitutes	46.00	46.00			
Tuition - Elementary, Public				20,602.75	
Tuition - Elementary, Private	30,616.00	30,616.00		16,800.00	
Tuition - Secondary, Private				13,450.00	
	<u>\$ 249,567.34</u>	<u>\$ 249,567.34</u>			290,733.79
GIFTED AND TALENTED:					
Salaries - Professionals	\$ 24,603.50	\$ 24,603.50		\$ 20,818.32	
Health Insurance - Professionals	10,416.50	10,416.50		7,314.95	
Health Insurance - Ed Techs				2,083.29	
Social Security - Professionals	400.00	400.00		194.81	
Retirement - Professionals	667.08	667.08		789.71	
Unemployment - Professionals	84.00	84.00			
Workers' Comp - Professionals	150.00	150.00		63.98	
Workers' Comp - Ed Techs	250.00	250.00		29.86	
Staff Development	300.00	300.00			
Contracted Fees	150.00	150.00			
Supplies - Instructional	715.78	715.78		236.23	
Dues/Fees	300.00	300.00			
	<u>\$ 38,036.86</u>	<u>\$ 38,036.86</u>			31,531.15
ELEMENTARY CO-CURRICULAR:					
Other Expenses	\$ 4,500.00	\$ 4,500.00		\$ 3,668.72	
					3,668.72

TOWN OF WEST BATH SCHOOL DEPARTMENT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	REVENUES	EXPENDITURES	
EXPENDITURES (CONT'D):					
SOCIAL WORK:					
OTHER SPECIAL ED PROGRAMS:					
Salaries - Professional	\$ 43,303.20	\$ 43,303.20		\$ 43,303.40	
Health Insurance - Professional	16,666.40	16,666.40		17,950.60	
Social Security - Professional	516.00	516.00		536.17	
Retirement - Professional	1,032.90	1,032.90		1,454.97	
Unemployment - Professional	33.60	33.60			
Workers' Comp - Professional	175.00	175.00		194.18	
	<u>\$ 61,727.10</u>	<u>\$ 61,727.10</u>			\$ 63,439.32
HEALTH:					
OVERHEAD:					
Salaries - Professional	\$ 8,445.20	\$ 8,445.20		\$ 5,829.43	
Health Insurance - Professional					
Social Security - Professional	150.72	150.72		84.63	
Retirement - Professional	275.44	275.44		195.93	
Unemployment - Professional	16.80	16.80			
Workers' Comp - Professional	100.00	100.00		26.36	
Staff Development	100.00	100.00			
Contracted Fees	300.00	300.00		300.00	
Repairs/Maintenance	80.00	80.00			
Insurance	100.00	100.00			
Travel	50.00	50.00			
Supplies - Non Instructional	592.80	592.80		553.50	
Non Instructional Equipment	1,320.06	1,320.06		1,070.89	
Dues/Fees	50.00	50.00			
	<u>\$ 11,581.02</u>	<u>\$ 11,581.02</u>			8,060.74
IMPROVEMENT OF INSTRUCTION:					
OVERHEAD:					
Stipends - Curriculum	\$ 9,275.00	\$ 9,275.00		\$ 9,150.00	
Social Security - Stipends	190.01	190.01		149.78	
Retirement - Stipends - Curriculum	347.26	347.26		415.33	
Unemployment - Stipends	42.00	42.00			
Staff Development	35,000.00	35,000.00		35,000.00	
Travel	5,000.00	5,000.00		4,473.03	
	<u>\$ 49,854.27</u>	<u>\$ 49,854.27</u>			49,188.14
INSTRUCTIONAL STAFF TRAININGS:					
OVERHEAD:					
Tuition Reimbursement - Professional	\$ 8,000.00	\$ 8,000.00		\$ 9,677.73	
Tuition Reimbursement - Ed Techs	2,000.00	2,000.00		882.65	
Tuition Reimbursement - Administrators	2,000.00	2,000.00		1,500.00	
	<u>\$ 12,000.00</u>	<u>\$ 12,000.00</u>			12,060.38
LIBRARY:					
OVERHEAD:					
Salaries - Professional	\$ 10,394.20	\$ 10,394.20		\$ 18,269.38	
Salaries - Lib Ed Tech	36,046.00	36,046.00			
Salaries - Substitutes	225.00	225.00		3,907.29	
Health Insurance - Professional				2,154.36	
Health Insurance - Lib Ed Techs	8,512.00	8,512.00			
Social Security - Professional	150.72	150.72		249.11	
Social Security - Lib Ed Techs	493.02	493.02			
Social Security - Substitutes/Tutors	3.00	3.00		85.58	

TOWN OF WEST BATH SCHOOL DEPARTMENT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	REVENUES	EXPENDITURES	
EXPENDITURES (CONT'D):					
LIBRARY (CONT'D):					
OVERHEAD (CONT'D):					
Retirement - Professional	\$ 275.44	\$ 275.44		\$ 613.86	
Retirement - Lib Ed Tech	1,001.04	1,001.04			
Retirement - Substitutes	6.00	6.00			
Unemployment - Ed Tech	16.80	16.80			
Unemployment - Lib Ed Tech	87.85	87.85			
Unemployment - Substitutes/Tutors	2.00	2.00			
Workers' Comp - Professional	100.00	100.00		82.38	
Workers' Comp - Lib Ed Techs	187.01	187.01		48.16	
Workers' Comp - Substitutes/Tutors	162.73	162.73			
Supplies - Instructional	628.31	628.31		404.65	
Books/Periodicals	4,000.00	4,000.00		3,464.69	
Supplies - Audiovisual	500.00	500.00		323.40	
Other Expenses	1,200.00	1,200.00		2,351.95	
	<u>\$ 63,991.12</u>	<u>\$ 63,991.12</u>			\$ 31,954.81
TECHNOLOGY:					
OVERHEAD:					
Salaries - Regular	\$ 39,000.00	\$ 39,000.00		\$ 39,121.15	
Health Insurance - Regular	20,833.00	20,833.00		10,695.36	
Social Security - Regular	600.00	600.00		2,366.17	
Unemployment - Regular	84.00	84.00			
Worker's Comp - Regular	223.31	223.31			
Staff Development	1,000.00	1,000.00		508.15	
Internet Connectivity Fees	200.00	200.00		142.00	
Contracted Fees	3,500.00	3,500.00		2,057.50	
Computer Lease	11,623.55	11,623.55		11,623.55	
Travel	200.00	200.00		66.95	
Supplies - Non Instructional	3,492.78	3,492.78		2,916.50	
Supplies - Instructional	7,941.12	7,941.12		7,368.15	
	<u>\$ 88,697.76</u>	<u>\$ 88,697.76</u>			76,865.48
STUDENT ASSESSMENT:					
OVERHEAD:					
Salaries - Regular	\$ 6,000.00	\$ 6,000.00		\$ 5,878.85	
Social Security - Regular				353.65	
Supplies - Non Instructional	1,862.00	1,862.00		1,687.00	
	<u>\$ 7,862.00</u>	<u>\$ 7,862.00</u>			7,919.50
BOARD OF EDUCATION:					
OVERHEAD:					
Salaries - Stipends	\$ 1,500.00	\$ 1,500.00		\$ 1,275.00	
Social Security - Stipends				97.56	
Worker's Comp				5.77	
Contracted Legal Fees	5,000.00	5,000.00		3,203.21	
Auditor's	1,500.00	4,938.83		7,900.00	
Insurance	5,000.00	5,000.00		4,925.46	
Dues/Fees	916.00	916.00		898.00	
Other Expenses	500.00	500.00		189.00	
Referendum Expenses	600.00	600.00			
	<u>\$ 15,016.00</u>	<u>\$ 18,454.83</u>			18,494.00
OFFICE OF THE SUPERINTENDENT:					
OVERHEAD:					
Salaries - Administrators	\$ 22,660.00	\$ 22,660.00		\$ 22,660.04	
Social Security - Administrators	300.00	300.00		327.66	
Retirement - Administrators	800.00	800.00		761.28	
Staff Development	1,200.00	1,200.00		1,200.00	
Rent/Leases	1,556.36	1,556.36		1,556.36	
Postage	600.00	600.00		796.26	
Printing	1,200.00	1,200.00		1,161.28	

TOWN OF WEST BATH SCHOOL DEPARTMENT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	REVENUES	EXPENDITURES	
EXPENDITURES (CONT'D):					
OFFICE OF THE SUPERINTENDENT (CONT'D):					
OVERHEAD (CONT'D):					
Travel	\$ 500.00	\$ 500.00		\$ 267.87	
Supplies - Non Instructional	815.00	815.00		419.90	
Books/Periodicals	500.00	500.00		206.70	
Dues/Fees	1,500.00	1,500.00		1,607.70	
Other Expenses	300.00	300.00		598.00	
	<u>\$ 31,931.36</u>	<u>\$ 31,931.36</u>			\$ 31,563.05
SPECIAL SERVICES ADMINISTRATOR:					
SPECIAL ED ADMINISTRATION:					
Salaries - Administrators	\$ -	\$ -		\$ 14,917.50	
Salaries - Regular	2,089.73	2,089.73		3,078.09	
Social Security				1,141.20	
Social Security - Regular				41.46	
Retirement - Regular Employee				71.23	
Worker's Comp - Regular				67.31	
Special Ed Contracted Services	84,420.00	84,420.00		95,267.85	
Other Expenses	67,996.00	260,923.21		99,924.08	
	<u>\$ 154,505.73</u>	<u>\$ 347,432.94</u>			214,508.72
SCHOOL ADMINISTRATION:					
OVERHEAD:					
Salaries - Administrators	\$ 92,459.40	\$ 92,459.40		\$ 92,459.38	
Salaries - Regular	34,597.51	36,019.79		36,611.05	
Salaries - Non Instructional Sub	400.00	400.00			
Salaries - Stipends	500.00	500.00		500.00	
Health Insurance - Administrators	22,893.36	22,893.36		23,385.48	
Health Insurance - Regular	20,833.00	20,833.00		20,832.76	
Social Security - Stipends	38.25	38.25		38.25	
Social Security - Administrators	1,239.63	1,239.63		1,337.86	
Social Security - Non Instructional Sub	6.00	6.00			
Social Security - Regular	2,000.00	2,000.00		3,011.99	
Retirement - Administrators	2,400.00	2,400.00		3,106.74	
Retirement - Non Instructional Subs	87.50	87.50		50.78	
Retirement - Regular Employee	25.00	25.00		3.66	
Unemployment - Non Instructional Subs	3.00	3.00			
Unemployment - Regular	84.00	84.00			
Workers' Comp - Stipends	2.40	2.40			
Workers' Comp - Administrators	430.00	430.00		417.17	
Workers' Comp - Non Instructional Subs	2.00	2.00			
Workers' Comp - Regular	100.00	100.00			
Staff Development	1,000.00	1,000.00		1,000.00	
Repairs/Maintenance	200.00	200.00			
Rent/Leases	1,556.36	1,556.36		1,556.36	
Postage	450.00	450.00		475.68	
Telephone	1,200.00	1,200.00		1,042.68	
Printing	1,000.00	1,000.00		3.79	
Travel	500.00	500.00		177.95	
Supplies - Non Instructional	1,500.00	1,500.00		1,279.53	
Books/Periodicals	200.00	200.00		110.63	
Dues/Fees	550.00	550.00		529.00	
Other Expenses	300.00	300.00		48.95	
	<u>\$ 186,557.41</u>	<u>\$ 187,979.69</u>			187,979.69

TOWN OF WEST BATH SCHOOL DEPARTMENT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	ORIGINAL BUDGET	FINAL BUDGET	REVENUES	EXPENDITURES
EXPENDITURES (CONT'D):				
CENTRAL SERVICES:				
OVERHEAD:				
Salaries - Managers	\$ 10,402.49	\$ 10,402.49		\$ 10,402.49
Social Security - Managers				764.98
Travel	100.00	100.00		
Supplies - Non Instructional	500.00	500.00		162.26
Dues/Fees	100.00	100.00		
Other Expenses	12,675.00	12,675.00		12,776.90
	<u>\$ 23,777.49</u>	<u>\$ 23,777.49</u>		\$ 24,106.63
OPERATION/MAINTENANCE:				
OVERHEAD:				
Utility Services	\$ 2,400.00	\$ 2,400.00		\$ 3,027.73
Cleaning Services	58,800.00	58,800.00		62,713.91
Repairs/Maintenance	128,000.00	128,000.00		100,055.20
Insurance	2,500.00	2,500.00		6,604.00
Supplies - Non Instructional	7,000.00	7,000.00		6,545.21
Electricity	12,000.00	12,000.00		12,117.98
Heating Oil	12,000.00	12,000.00		9,993.16
	<u>\$ 222,700.00</u>	<u>\$ 222,700.00</u>		201,057.19
STUDENT TRANSPORTATION:				
OVERHEAD:				
Student Transportation Purchased	\$ 104,312.06	\$ 104,312.06		\$ 115,490.68
Gas/Diesel	16,000.00	16,000.00		385.80
Other Expenses	4,648.00	4,648.00		2,210.56
	<u>\$ 124,960.06</u>	<u>\$ 124,960.06</u>		118,087.04
INSTRUCTION - ELEMENTARY:				
Co-Cur/Athletic/Instruction Field Trip	\$ 2,000.00	\$ 2,000.00		\$ 4,364.50
				4,364.50
STUDENT TRANSPORTATION - OUT OF DISTRICT:				
OVERHEAD:				
Student Transportation Purchase Price	\$ 16,560.00	\$ 16,560.00		12,200.58
Total Expenditures	<u>\$ 3,338,627.83</u>	<u>\$ 3,536,416.15</u>		<u>\$ 3,224,987.71</u>
Excess of Revenues Over Expenditures	<u>\$ 30,000.00</u>	<u>\$ 30,000.00</u>		<u>\$ 439,689.64</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers - In	\$ -	\$ -		\$ -
Operating Transfers - Out	30,000.00	30,000.00		(90,000.00)
Total Other Financing Sources (Uses)	<u>\$ 30,000.00</u>	<u>\$ 30,000.00</u>		<u>\$ (90,000.00)</u>
Fund Balance, June 30, 2017	<u>\$ 60,000.00</u>	<u>\$ 60,000.00</u>		<u>\$ 349,689.64</u>

TOWN OF WEST BATH SCHOOL DEPARTMENT
 SCHEDULE OF ACTIVITY - FIDUCIARY FUND TYPE - AGENCY
 STUDENT ACTIVITY FUND
 FOR THE YEAR ENDED JUNE 30, 2017

	BALANCE JULY 1, 2016	CASH RECEIPTS AND OTHER CREDITS	CASH DISBURSEMENTS AND OTHER DEBITS	BALANCE JUNE 30, 2017
Principal's Account	\$ 5,910.54	\$ 9,179.88	\$ 10,054.88	\$ 5,035.54
Boston Fundraising - 6th Grade Trip	742.00	30.00	1,678.98	(906.98)
Outdoor Classroom	2,546.90	1,000.00	5,259.00	(1,712.10)
	<u>\$ 9,199.44</u>	<u>\$ 10,209.88</u>	<u>\$ 16,992.86</u>	<u>2,416.46</u>

RECONCILIATION OF THE AUDIT ADJUSTMENTS TO NEO FINANCIAL SYSTEM
 FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	UNDESIGNATED	SPECIAL REVENUE	LUNCH	DESIGNATED	DESIGNATED RESERVE	2017 TOTAL	2016 TOTAL
June 30 Balance as per NEO							
Financial System	\$ 3,350,140.85	\$ (11,091.38)	\$ (52,212.32)	\$ (138,780.64)	\$ -	\$3,148,056.51	\$ 142,312.95
Beginning Balance Adjustments	(2,878,106.46)	2,283.51	63,458.79	147,000.00		(2,665,364.16)	
REVENUE ADJUSTMENTS:							
State Subsidy			5,416.89			5,416.89	76,894.62
Lunch Sales			3,665.31			3,665.31	9,511.00
Donated Commodities			2,407.52			2,407.52	2,781.57
Transfer in from General Fund							210,458.79
Special Revenue		12,233.23				12,233.23	86,440.30
Interest Income	549.05					549.05	143.72
Tuition							232,059.92
Transfer from Town			30,000.00		60,000.00	90,000.00	53,000.00
EXPENDITURE ADJUSTMENTS:							
Increase in Expenses	28,051.46		33,458.49			61,509.95	268,335.90
Transfer Expenses to General Fund	4,842.34	(4,842.34)					
Transfer to Reserves	60,000.00					60,000.00	63,458.79
Transfer to Lunch	30,000.00					30,000.00	
June 30 Audited GAAP Basis Fund Balance	<u>\$ 349,689.64</u>	<u>\$ 8,267.70</u>	<u>\$ 19,277.70</u>	<u>\$ 8,219.36</u>	<u>\$ 60,000.00</u>	<u>\$ 445,454.40</u>	<u>\$ 481,808.18</u>

TOWN OF WEST BATH SCHOOL DEPARTMENT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017 AND 2016

	<u>REVENUES</u>	<u>EXPENDITURES</u>	EXCESS OF REVENUES OVER EXPENDITURES	<u>FUND BALANCE</u>	
	STATE AND FEDERAL GRANTS	PROGRAM EXPENDITURES		JULY 1, 2016	JUNE 30, 2017
Federal Funds	\$ 130,079.21	\$ 130,079.21	\$ -	\$ -	\$ -
PEPG	1,500.00	2,790.51	(1,290.51)	4,600.00	3,309.49
Transition for Proficiency Based Education	2,370.44		2,370.44	2,587.77	4,958.21
	<u>\$ 133,949.65</u>	<u>\$ 132,869.72</u>	<u>\$ 1,079.93</u>	<u>\$ 7,187.77</u>	<u>\$ 8,267.70</u>

TOWN OF WEST BATH SCHOOL DEPARTMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS THROUGH GRANTOR NUMBER	FUND BALANCE JULY 1, 2016	REVENUES	EXPENDITURES	FUND BALANCE JUNE 30, 2017
U.S. DEPARTMENT OF AGRICULTURE:						
Passed Through State Department of Education:						
Donated Commodities (Note 2)	10.550	N/A	\$ -	\$ 2,407.52	\$ 2,407.52	\$ -
National School Lunch	10.555	013.3024.05		20,456.02	20,456.02	
School Breakfast Program	10.553	013.3014.05		5,039.72	5,039.72	
Subtotal			<u>\$ -</u>	<u>\$ 27,903.26</u>	<u>\$ 27,903.26</u>	<u>\$ -</u>
U.S. DEPARTMENT OF EDUCATION:						
Passed Through State Department of Education:						
IDEA Special Education - Grants to State (IDEA Part B)	84.027	013.3046.12	\$ -	\$ 66,803.80	\$ 66,803.80	\$ -
NCLB Title IA - Basic Disadvantaged Program	84.010	013.3107.13		26,858.62	26,858.62	
NCLB Title II, Part A - Improving Teacher Quality State Grants	84.367	013.3042.11		8,513.53	8,513.53	
Subtotal			<u>\$ -</u>	<u>\$ 102,175.95</u>	<u>\$ 102,175.95</u>	<u>\$ -</u>
Total			<u>\$ -</u>	<u>\$ 130,079.21</u>	<u>\$ 130,079.21</u>	<u>\$ -</u>

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Town of West Bath School Department's Schedule of Expenditures of Federal Awards conforms to generally accepted accounting principles as applicable to governmental units. The modified accrual basis of accounting is followed. This method of accounting is defined as the basis of accounting under which expenditures are recorded as incurred, and revenues are recorded when received in cash except for material and/or available revenues which are accrued to reflect properly the assessments levied and the revenues earned.

NOTE 2 - DONATED COMMODITIES:

Non-monetary assistance is reported in the schedule at the fair market value of the commodities consumed.

TOWN OF WEST BATH SCHOOL DEPARTMENT
SCHEDULE OF CHANGES IN FUND BALANCE - DESIGNATED RESERVE
FOR THE YEAR ENDED JUNE 30, 2017

SPECIAL EDUCATION RESERVE:

Balance, July 1, 2016	\$ -	
Add: Transfer In	<u>60,000.00</u>	
Balance, June 30, 2017		<u><u>\$ 60,000.00</u></u>

TOWN OF WEST BATH SCHOOL DEPARTMENT
 SCHEDULES OF THE NUMBER AND PERCENTAGE
 OF MEALS SERVED BY CATEGORY
 FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017		2016	
	NUMBER	%	NUMBER	%
BREAKFAST PROGRAM:				
Children:				
Full Price	1,805	44.44%	1,750	45.01%
Reduced Price	279	6.87%	575	14.79%
Free	1,935	47.64%	1,480	38.07%
Total Children	<u>4,019</u>	<u>98.95%</u>	<u>3,805</u>	<u>97.87%</u>
Adults	43	1.05%	83	2.13%
Total Meals Served	<u><u>4,062</u></u>	<u><u>100.00%</u></u>	<u><u>3,888</u></u>	<u><u>100.00%</u></u>
LUNCH PROGRAM:				
Children:				
Full Price	7,469	56.88%	7,023	53.18%
Reduced Price	1,138	8.67%	1,485	11.24%
Free	4,260	32.45%	4,454	33.73%
Total Children	<u>12,867</u>	<u>98.00%</u>	<u>12,962</u>	<u>98.15%</u>
Adults	264	2.00%	244	1.85%
Total Meals Served	<u><u>13,131</u></u>	<u><u>100.00%</u></u>	<u><u>13,206</u></u>	<u><u>100.00%</u></u>