

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**Bethany Orange Woodbridge**  
**25 Newton Road, Woodbridge, Connecticut 06525**  
**(203) 397-4811**

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**Dr. Charles Dumais**  
**Superintendent of Schools**

**PLEASE POST**

**PLEASE POST**

**AMITY REGIONAL BOARD OF EDUCATION**

***December 11, 2017***

A regular meeting of the Amity Regional Board of Education will be held on  
Monday, December 11, 2017, at 6:30 p.m. in the Presentation Room at the District Offices.

**AGENDA**

1. Call to Order
2. Pledge of Allegiance
3. Swearing in of new Board of Education member, Carla Eichler
4. Election of Officers
5. Student Report – Ananya Kachru
6. Public Comment
7. Approval of Minutes
  - a. Regular Board of Education Meeting, November 13, 2017 (*Page 3*)
8. Discussion and Possible Action on Ad Hoc Shared Services Committee
9. Correspondence
10. Superintendent's Report
  - a. Personnel Report (*Page 10*)
  - b. Superintendent Report (*Page 11*)
  - c. Woodbridge IT Agreement
  - d. Consumer Science Construction
  - e. Enrollment, Section Size, Staffing
11. Chairman's Report
  - a. Committee Reports
    1. ACES
    2. CABE
    3. Curriculum
    4. Facilities (*Page 16*)
    5. Finance (*Page 17*)
      - a. Discussion and Possible Action on 2016-17 Financial Statements (*Page 21*)
      - b. Discussion and Possible Action on Capital Project (*Page 117*)
      - c. Discussion and Possible Action on Contracts of \$35,000 or More (*Page 118*)
        1. Septic Systems and Grease Pit Services (*Page 118*)
        2. Trash and Recycling Services (*Page 119*)
        3. Engineering Services (2) (*Page 119*)
      - d. Discussion of Monthly Financial Statements (*Page 121*)
      - e. Director of Finance and Administration Approved Transfers Under \$3,000 (*Page 146*)
      - f. Discussion and Possible Action on Budget Transfers of \$3,000 or More (*Page 147*)
      - g. Other
        1. Superintendent's 2018-2019 Budget Update

6. Policy

- a. Draft November 20, 2017 Meeting Minutes (*Page 149*)
- b. First Reading of the Following:
  1. Strike
  2. Adopt
    - 1313 – Community – Gifts to School Personnel/Gifts (*Page 152*)
    - 1314 – Community Relations – Fund-Raising and Solicitation (*Page 153*)
- c. Second Reading of the Following:
  1. Strike
    - 1220 – Community Relations – Citizens' Advisory Committees (*Page 154*)
    - 1221.1 – Community Relations – Citizens' Advisory Committee for the Board of Education (*Page 155*)
    - 1230 – Community Relations – Other School-Related Organizations (*Page 158*)
    - 1240 – Community Relations – Citizen Assistance to School Personnel (*Page 165*)
    - 1300 – Community Relations – Public Activities Involving Staff, Students, or School Facilities (*Page 166*)
    - 1311 – Community Relations – Staff Participating in Community Activities (*Page 167*)
    - 1311.1 – Community Relations – Political Activities of School Employees (*Page 168*)
  2. Adopt
    - 1150 – Community Relations – Communications with the Public (*Page 169*)
    - 1200 – Community Relations – Relations with the Board (*Page 170*)
    - 1212 – Community Relations – School Volunteers (*Page 171*)
    - 1250 – Community Relations – Visits to the Schools (*Page 176*)
    - 1251 – Community Relations – Loitering or Causing Disturbance (*Page 177*)
    - 1312 – Community Relations – Public Complaints (*Page 178*)

7. Personnel

8. District Technology

9. District Health and Safety

12. Items for the Next Agenda

13. Adjournment



Charles Dumais, Ed.D.  
Superintendent of Schools

CD/pjp

pc: Town Clerks: Bethany / Orange / Woodbridge

**Working to "enable every Amity student to become a lifelong learner and a literate, caring, creative and effective world citizen." District Mission Statement**

If you require accommodations to participate because of a disability,  
please contact the office of the Superintendent of Schools in advance at 203-397-4811.

AMITY REGIONAL SCHOOL DISTRICT NO. 5 BOARD OF EDUCATION  
NOVEMBER 13, 2017 REGULAR MEETING MINUTES

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*A regular meeting of the Amity Regional Board of Education was held on Monday, November 13, 2017 at 6:30 pm in the Board Presentation Room at 25 Newton Road, Woodbridge.*

BOARD MEMBERS PRESENT

Chairperson Thomas Hurley, Mr. John Belfonti (absent 8:35-8:40), Ms. Robyn Berke, (arrived 7:15), Ms. Patricia Cardozo, Ms. Shannan Carlson (departed 8:35), Ms. Paula Cofrancesco, Ms. Sue Cohen, Mr. Steven DeMaio, Ms. Amy Esposito, Ms. Sheila McCreven, Ms. Jennifer Turner, and Ms. Diane Urbano

BOARD MEMBERS ABSENT

Mr. Christopher Browe

STAFF MEMBERS PRESENT

Dr. Charles Dumais, Dr. E. Marie McPadden, Dr. Richard Dellinger, Ms. Theresa Lumas, Ms. Kathy Burke, Mr. Scott Cleary, Mr. Peter Downhour, Ms. Lynn Edwards, Mr. Ernest Goodwin, Ms. Michelle Lockwood, Ms. Anna Mahon, Mr. Greg Murphy, and Ms. Mary Raiola

1. CALL TO ORDER

Chairperson Hurley called the meeting to order at 6:30 pm.

2. PLEDGE OF ALLEGIANCE

recited by those present

3. PRESENTATION OF SUMMER SIDEKICK CERTIFICATES

- a. Ms. Lynn Edwards presented certificates to Amity Middle School Orange award winners.
- b. Mr. Greg Murphy presented certificates to Amity Middle School Bethany award winners.

4. RECOGNITION OF CAPSS AWARDS

- a. Ms. Kathy Burke presented certificates to Amity Middle School Orange award winners.
- b. Dr. Richard Dellinger presented certificates to Amity Middle School Bethany award winners.
- c. Ms. Anna Mahon presented certificates to Amity Regional High School award winners.

***Motion by Mr. DeMaio, Second by Mr. Belfonti to present item #6 (BOARD MEMBER RECOGNITION) immediately after item #4 (RECOGNITION OF CAPSS AWARDS)***

***Vote in favor, 11, unanimous (Mr. Belfonti, Ms. Berke, Ms. Cardozo, Ms. Carlson, Ms. Cofrancesco, Ms. Cohen, Mr. DeMaio, Ms. Esposito, Ms. McCreven, Ms. Turner, and Ms. Urbano)***

***MOTION CARRIED***

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6. BOARD MEMBER RECOGNITION (*moved from its original placement in meeting agenda*)

Chairperson Hurley recognized Ms. Sue Cohen's many years of service to the community. Ms. Cohen thanked the Board of Education, mentioned former Amity Board of Education Chairperson William Blake and former Amity Board of Education member James Stirling, and acknowledged the wonderful contributions made by former Superintendent, Dr. John Brady, former Interim Superintendent, Michael Nast, and Superintendent, Dr. Charles Dumais. She cautioned that policies are the next most important task, along with funding administration to achieve its goals, to follow those policies, and to lead us. Ms. Cohen concluded by graciously thanking everybody present. Dr. Dumais, Ms. Theresa Lumas, and the Amity Board of Education presented Ms. Sue Cohen with a cake in her honor.

*Chairman Hurley called a recess at 6:55 p.m.  
Meeting reconvened at 7:05 p.m.*

5. STUDENT REPORT – Ananya Kachru

7. APPROVAL OF MINUTES

- a. Regular Board of Education Meeting, October 16, 2017 (Enclosure)

***Motion by Ms. Carlson, Second by Ms. McCreven to accept the minutes as corrected.***

***Vote in favor, 11, unanimous (Mr. Belfonti, Ms. Berke, Ms. Cardozo, Ms. Carlson, Ms. Cofrancesco, Ms. Cohen, Mr. DeMaio, Ms. Esposito, Ms. McCreven, Ms. Turner, and Ms. Urbano)***

***MOTION CARRIED***

8. PUBLIC COMMENT

Copies of a letter from David Cohen, Woodbridge, were distributed to the Board requesting a full week for February break.

9. DONATION FROM MR. AND MRS. RONAI TO AMITY REGIONAL SCHOOL DISTRICT

***Motion by Mr. DeMaio, Second by Ms. Esposito to approve this donation.***

***Vote in favor, 11, unanimous (Mr. Belfonti, Ms. Berke, Ms. Cardozo, Ms. Carlson, Ms. Cofrancesco, Ms. Cohen, Mr. DeMaio, Ms. Esposito, Ms. McCreven, Ms. Turner, and Ms. Urbano)***

***MOTION CARRIED***

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10. DISCUSSION AND POSSIBLE ACTION ON 2018-2019 DISTRICT CALENDAR

***Motion by Ms. Cohen, Second by Ms. Cardozo to accept the 2018-2019 District Calendar.***

***Motion by Ms. McCreven, Second by Ms. Berke to table discussion of 2018-2018 District Calendar until the next Amity Board of Education regular meeting.***

***Vote in favor, 5 (Ms. Berke, Ms. Carlson, Mr. Belfonti, Ms. Cofrancesco, and Ms. McCreven)***

***Vote against, 6 (Mr. DeMaio, Ms. Cohen, Ms. Cardozo, Ms. Turner, Ms. Esposito, and Ms. Urbano)***

***MOTION DEFEATED***

There was discussion about the original motion to accept the 2018-2019 District Calendar as submitted.

***Vote in favor, 9 (Mr. DeMaio, Mr. Belfonti, Ms. Cofrancesco, Ms. McCreven, Ms. Cohen, Ms. Cardozo, Ms. Turner, Ms. Esposito, and Ms. Urbano)***

***Vote against, 2 (Ms. Berke and Ms. Carlson)***

***MOTION CARRIED***

11. CORRESPONDENCE

Dr. Dumais referenced the letter from David Cohen, which had already been distributed and discussed, regarding having a full week for February break.

12. SUPERINTENDENT'S REPORT

a. Personnel Report

Dr. Dumais explained that we are fully staffed.

b. Superintendent Report

[https://www.amityregion5.org/uploaded/BOE/Superintendent's\\_Reports/SuperintendentReport\\_November2017\\_R.pdf](https://www.amityregion5.org/uploaded/BOE/Superintendent's_Reports/SuperintendentReport_November2017_R.pdf)

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13. CHAIRMAN'S REPORT

a. Committee Reports

1. ACES

Ms. Cohen explained that ACES is cutting funds including in technology and are trying to hold down costs on Special Education. Dr. Dumais explained to the Board that we only accept ACES Open Choice students who were previously accepted into that program in Bethany, Orange, and Woodbridge elementary schools.

2. CAFE

a. Discussion of CAFE Delegate Assembly 2018 Proposed Resolutions

Ms. McCreven advised the Board that she has a work conflict and cannot attend the November 16, 2017 Delegate Assembly and asked if anybody else on the Board would like to go in her place. Nobody else is able to attend in Ms. McCreven's place.

Ms. McCreven reminded the Board about the December 7<sup>th</sup> session for new members as well as experienced members and asked all interested members to contact her or Dr. Dumais.

3. Curriculum

a. Draft October 26, 2017 Meeting Minutes

4. Facilities

Ms. Cardozo referenced the October, 2017 Facilities Department Monthly Report and praised Mr. Saisa and the Department for doing a fantastic job.

5. Finance

a. Discussion Regarding Amity Pension Fund, Sick and Severance Account, and OPEB Trust

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b. Discussion and Possible Action on Contracts of \$35,000 or More

i. Workers' Compensation and Liability, Automotive, and Property Insurances

***Motion by Ms. Cardozo, Second by Mr. Belfonti to award the workers' compensation insurance for July 1, 2018 to June 30, 2021, to Connecticut Interlock Risk Management Agency (CIRMA) of New Haven, Connecticut at the price of \$239,400 plus the audit premium to be determined. Price increases for years two and three will be based on payroll increases and claims; and award the liability, automobile, and property insurance to Connecticut Interlock Risk Management Agency with a maximum of a three percent increase in the second and third years of the contract. This will be a three-year contract for workers' compensation and liability, automobile, and property insurance.***

***Vote in favor, 11, unanimous (Mr. Belfonti, Ms. Berke, Ms. Cardozo, Ms. Carlson, Ms. Cofrancesco, Ms. Cohen, Mr. DeMaio, Ms. Esposito, Ms. McCreven, Ms. Turner, and Ms. Urbano)***

**MOTION CARRIED**

ii. Financial Accounting System

***Motion by Ms. Esposito, Second by Ms. Cardozo that the Superintendent of Schools be authorized to sign a three-year extension of the current support contract with Tyler Technologies for the MUNIS Financial Accounting Systems for a total cost of \$215,013; \$68,879 in year 1, \$71,635 in year 2, and \$74,499 in year 3. The Amity Board of Education waives the bid requirement.***

***Vote in favor, 11, unanimous (Mr. Belfonti, Ms. Berke, Ms. Cardozo, Ms. Carlson, Ms. Cofrancesco, Ms. Cohen, Mr. DeMaio, Ms. Esposito, Ms. McCreven, Ms. Turner, and Ms. Urbano)***

**MOTION CARRIED**

c. Discussion of Monthly Financial Statements

d. Director of Finance and Administration Approved Transfers Under \$3,000

e. Discussion and Possible Action on Budget Transfers of \$3,000 or More

***Motion by Ms. Carlson, Second by Ms. Urbano to approve transfers.***

***Vote in favor, 11, unanimous (Mr. Belfonti, Ms. Berke, Ms. Cardozo, Ms. Carlson, Ms. Cofrancesco, Ms. Cohen, Mr. DeMaio, Ms. Esposito, Ms. McCreven, Ms. Turner, and Ms. Urbano)***

**MOTION CARRIED**

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f. Other

- i. Update on Excess Cost Grant
- ii. Update on Budget Development
- iii. Update on Financial Audit
- iv. Emergency Repair (water line)

6. Policy

- a. Draft October 23, 2017 Meeting Minutes

***Motion by Mr. DeMaio, Second by Ms. Cohen to adopt Policies 1170, 1180, and 1210.***

***Vote in favor, 9, unanimous (Ms. Berke, Mr. DeMaio, Ms. Cofrancesco, Ms. McCreven, Ms. Cohen, Ms. Cardozo, Ms. Turner, Ms. Esposito, and Ms. Urbano)***

***MOTION CARRIED***

7. Personnel

Ms. Cohen reported that negotiations are still underway.

8. District Technology

- a. Discussion and Action on Title IV Grant Application

***Motion by Mr. DeMaio, Second by Ms. Cofrancesco to approve grant application.***

***Vote in favor, 10, unanimous (Ms. Berke, Mr. Belfonti, Mr. DeMaio, Ms. Cofrancesco, Ms. McCreven, Ms. Cohen, Ms. Cardozo, Ms. Turner, Ms. Esposito, and Ms. Urbano)***

***MOTION CARRIED***

9. District Health and Safety

Mr. DeMaio will have an update after the January 2018 committee meeting.



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14. ITEMS FOR NEXT AGENDA

Ad hoc committee (one from each town: Bethany, Orange, and Woodbridge) to explore opportunities for shared services and regionalization.

15. ADJOURNMENT

Chairman Hurley presented Ms. Cohen with her Amity Board of Education meeting name plate, as she is resigning from the Amity Board of Education.

***Motion by Ms. Cohen, Second by Ms. Berke to adjourn meeting.***

***Vote in favor, 10, unanimous (Ms. Berke, Mr. Belfonti, Mr. DeMaio, Ms. Cofrancesco, Ms. McCreven, Ms. Cohen, Ms. Cardozo, Ms. Turner, Ms. Esposito, and Ms. Urbano)***

***MOTION CARRIED***

*Meeting adjourned at 8:45 pm.*

Respectfully submitted,

Pamela Pero  
Recording Secretary

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**Bethany Orange Woodbridge**  
**25 Newton Road, Woodbridge, Connecticut 06525**



*Charles S. Dumais, Ed.D.*  
*Superintendent of Schools*

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**December 11, 2017**

**To: Members of the Board of Education**

**From: Charles Dumais, Ed.D., Superintendent of Schools**

**Re: Personnel Report**

+ **NEW HIRES-CERTIFIED: NONE**

+ **NEW HIRES-SUBSTITUTES:**

*Robert Rosner* – Benched Substitute –Amity Regional High School

*Karen Wojciechowski* – Long Term Substitute School Counselor –Amity Regional High School

+ **NEW HIRES-CLASSIFIED: NONE**

+ **NEW HIRES-COACHES:**

*Jamie Blake* – Assistant Cheer Coach –ARHS

*Charles Ubaldi* – Girls Middle School Basketball Coach – AMSB

*Eric Rothbart* – Freshman Girls Basketball Coach – ARHS

*Gilbert Guo* – Interim Freshman Boys Basketball Coach – ARHS

+ **TRANSFERS: NONE**

+ **RESIGNATION(S):**

*Jessica Hoffer* – Assistant Varsity Boys Volleyball Coach, Amity Reg. High School, eff. 11/13/17

*Emily Prete* – Assistant Varsity Girls Lacrosse Coach, Amity Reg. High School, eff. 11/21/17

*Edward Czepiga* – Special Education Paraprofessional – ARHS, eff. 12/20/17

+ **RETIREMENT(S): NONE**

# **AMITY REGIONAL SCHOOL DISTRICT NO. 5**

**Bethany Orange Woodbridge**  
**25 Newton Road, Woodbridge, Connecticut 06525**



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**Charles S. Dumais, Ed.D.**  
**Superintendent of Schools**

**charles.dumais@reg5.k12.ct.us**  
**203.392.2106**

## **Superintendent's Report – December 2017**

Continuously improve instruction, cultivate creativity, and enhance student engagement and performance.

Enhance the efficient and effective use of resources.

Foster a supportive climate for students and adults.

### **Instruction**

**Teacher/Administrator Evaluation.** The Amity Teacher/Administrator Evaluation committee met with CREC consultant Dr. Ellen Retelle to begin planning for revisions to the Amity Teacher and Administrator Evaluation Models. The revised plans will be based on a growth model and implemented during the 2018-19 school year.

**TEAM.** TEAM Committee members and trained reflection paper reviewers will review the first reflection paper for this school year by teachers who are currently in TEAM. The purpose of the reflection paper is for the new teacher to research and reflect in writing upon the module that they are completing for professional learning, such as instruction or classroom environment.

**AMSO Spring Production.** Amity Middle School Orange recently held auditions for its spring production of *The Music Man*.

**Fall Athletics Wrap-Up.** Girls Volleyball reached the CIAC Class LL Finals; Girls Swimming and Diving placed ninth in the CIAC Class LL Championships; Boys Soccer qualified for the CIAC Class LL Tournament for the first time in three years; Girls Soccer made it to the second round of the CIAC Class LL Tournament; Boys Cross Country placed sixth in the CIAC Class LL Championships and ninth in the Connecticut State Open Championships; Field Hockey qualified for the CIAC Class L tournament.

**Physical Fitness.** More than 75% of Amity eighth grade students passed *all four parts* of the fall Connecticut Physical Fitness Assessment!

**Creative Connections Art Lesson.** Students in Liz Smolinski's Drawing and Painting class participated in an art exchange project through the organization "Creative Connections," an international cultural education organization. Ms. Smolinski learned about this program during her participation in the CAEA conference, and she was paired up with an art class at Hiroshima Nagisa Senior High School in Japan. The teachers from both schools were given the same lesson plans and activities, which included creating a piece of art that reflects a "highlight" from the students' lives. At this point, the students' artwork is in the mail and on its way to our partner class in Japan, and the students in Hiroshima have sent their artwork to Amity.

[https://www.facebook.com/pg/amityreg5/photos/?tab=album&album\\_id=1312290408877217](https://www.facebook.com/pg/amityreg5/photos/?tab=album&album_id=1312290408877217)

**Using Reading Data.** Reading consultants from Amity Middle School Bethany and Amity Middle School Orange conducted a professional development session for their middle school colleagues focusing on using data to inform instruction across the curriculum.

**Instructional Rounds.** As part of our third year of implementation of Instructional Rounds, *all* teachers will be participating in instructional rounds this year and *all* classrooms will be visited by teams of teachers. Additionally, we have included school visits by a district team of teachers and administrators, with our second school (AMSB) visit being conducted later this month. School visits are facilitated by the superintendent and include the use of an updated protocol that moves participants toward systemic observations.

**Visit from Guangdong Province Educators.** In partnership with Daniel Gregg, former director of International Relations for the CT Association of Schools, Amity hosted a contingent of twenty educators from the Guangdong Province in China. The guest educators shadowed students for two class periods and met with Amity Regional High School faculty and administrators. This is the third year that Amity High School has hosted a group from China.

**Technology and Personalization.** A middle school library media specialist and the Director of Curriculum attended a CAPSS Executive Leadership session at Central CT State University in New Britain. The focus of the session was on Technology and Personalization in 21<sup>st</sup> Century Schools.

**Career Day.** The annual Amity Middle School Bethany Career Day program was held on November 17, 2017. Thanks to [all of those who volunteered](#) their time and expertise to help our students along their own career paths.

### **Resources**

**Budget Process.** As part of the budget development process, all District Heads of Departments met to review system-wide budget request submissions.

**Transition Program.** We are currently engaged in conversations with the leadership of the Town of Woodbridge and Albertus Magnus College to secure facilities for implementation of a comprehensive transition program.

**Mandatory Athletic Meetings.** Seasonal meetings to prepare coaches and inform athletes and their parents of important standards, rule changes, processes, tryout criteria, and methods of communication have been streamlined to maximize consistency and content delivery while minimizing the time commitment.

**Information Technology Shared Services.** Representatives from Amity, the Town of Woodbridge, the Woodbridge Police Department, and the Woodbridge Public Schools are working on the development of a plan that would coordinate information technology services between the entities.

**Food Service Operations.** Chartwells Group has worked with a local small business owner in Woodbridge to include their product in the cafeteria. “Smarty Pops” is an all-natural frozen fruit bar. Joan Conant, Director of Dining Services, assisted the owners with getting the product certified by the State of Connecticut Child Nutrition as meeting the healthy foods standards.

**Green Leaf Schools.** Each of the principals signed commitment letters to participate in Connecticut Green LEAF Schools Program. The commitment letters have been sent to the CT Green Leaf representative at the Institute for Sustainable Energy. Committees are forming at each school. The Director of Finance & Administration and the Director of Facilities will participate in the committee work at each school. Each committee will complete a Green LEAF School Self-Assessment and work with the program liaison to identify the District's accomplishments and future goals.



### **Climate**

**Parent University.** In addition to the early sessions on Student Organization Skills, Unified Classroom, Chronic Absenteeism, and Student Success Plans, we have scheduled sessions to cover various topics (as identified in the District Goals/Objectives) over the course of the year.

<b>Date</b>	<b>Topic</b>
<i>January 31, 2018</i>	<i>Courage to Speak – Drug Abuse Prevention</i>
February 13, 2018	Internet Safety
March 6, 2018	School Security
<i>April 3, 2018</i>	<i>Academic Integrity, Media Literacy</i>
May 8, 2018	Experiential Learning

**Guest Speakers.** Once again this year, ARHS has used community resources to help deliver curricular lessons regarding drug and alcohol prevention/abuse. With the help of Student Assistance Counselor Gary Lindgren, students in 10<sup>th</sup> and 11<sup>th</sup> grade participated in a multi-day lesson regarding drug and alcohol prevention. Mr. Lindgren arranged for a variety of speakers to present for students to learn about the first-hand risks of using/abusing alcohol and drugs.

**Friendsgiving.** Amity Middle School Orange teacher Lynn Edwards hosted the annual Fabulous Friends Friendsgiving Feast for students from all three Amity Schools. The event included holiday-themed activities and a wonderful selection of culinary treats.

**Personal Boundaries.** As part of state-mandated sexual harassment education for students, our Amity Middle School Orange seventh graders participated in an educational session on personal boundaries and sexual harassment presented by the Milford Rape Crisis Center.

**Coat/Clothing Drive.** The Amity Middle School Bethany Student Council and Leo Club supported a month-long coat/clothing drive sponsored by the Woodbridge Rotary Club, serving Bethany, Woodbridge, and the Westville section of New Haven.

**New Student Welcoming Committee.** Initiated by an Amity Regional High School senior, the New Student Welcoming Committee organizes monthly lunches, welcome cards, and various check-ins for students who are new to Amity this year and those who transfer in throughout the school year.

**“Staying Connected,” the Introduction of Narrative 4 (N4).** On November 14, 2017, Amity Middle School Bethany teacher Ms. Ortiz organized (and the PTSO sponsored) an opportunity for AMSB families to meet Maroon 5 bassist Mickey Madden and world-renowned author Colum

McCann as part of an introduction to the global empathy organization Narrative 4. This was part one of a two-part event in which participants had an opportunity to experience a story exchange, the core methodology of N4. The second N4 event for the AMSB community will be on December 14, 2017.

**Class Act Council.** The Amity Class Act Council accepted the Michaels Achievement Cup at the 2017 Sportsmanship Conference. The student group is planning the winter pep rally, rolling out the [Spartan Pledge](#) to the winter athletes, and discussing the creation of the CIAC “Battle of the Fans” video for submission.

**Special Education Panel.** Amity Director of Pupil Services Mary Raiola served on an Administrator Panel at Southern Connecticut State University for students in the special education program planning to graduate in December. The session addressed current issues in special education and included components that provided students authentic experience for interviews for special education teaching positions.

**Teen Life Workshop Day.** November 22, 2017, was a special program day for the entire high school. Throughout the morning, students attended various workshops led by students, teachers, and club advisors. As part of the November 22 Teen Life program, Amity welcomed back several members of the Class of 2017 to talk to our juniors and seniors about their transition out of high school.

**Advisory.** Middle school principals, teacher representatives, and the Director of Curriculum have begun discussions on the development of an Advisory Plan for middle school students.

### **Superintendent**

**Instructional Leadership.** I visit each school on (at least) a weekly basis and make classroom observations a regular part of each trip. To date, I have visited more than 135 classrooms (and other activities for non-classroom certified employees) across all of the buildings.

**Legislative and University Connections.** I met with State Representative Pam Staneski and Southern Connecticut State University Provost Robert Prezant to discuss opportunities for greater collaboration between secondary and higher education in Connecticut.

**Rotary Senior Holiday Luncheon.** I joined nearly twenty other Woodbridge/Bethany Rotarians in serving a holiday meal for local seniors at the Woodbridge Senior Center.

**Advisory Council Relating to Digital Citizenship, Internet Safety & Media Literacy.** The first meeting of this legislatively-established advisory council met for the first time last month. The productive meeting resulted in the establishment of critical definitions and the scope of work of the group.

**Storify.** See this past month’s tweets with the #AR5 hashtag here:  
<https://storify.com/charlesdumais/amity-nov-dec-2017>

**Shadowing.** In early 2018 (January and February), I plan to shadow a student at each of the Amity schools as they go through their normal day of classes and activities.

**Teacher of the Year.** Dr. Richard Dellinger and I enjoyed an evening of celebration with Kevin Berean, Amity's 2017 Teacher of the Year, at the Bushnell Theater in Hartford.

**Adjunct Professor:** I have been asked to teach a course on educational leadership (specifically, EDL 606 – Leadership in Teaching and Learning II) at Central Connecticut State University in the spring of 2018.

**Instructional Rounds.** As our teachers have engaged in Instructional Rounds, the District Leadership Team (accompanied by a teacher from each school) has conducted their first of three visits for this year and will complete their second visit (to Amity Middle School Bethany) later this week.

**Cooperative/Shared Services.** Explorations and negotiations are progressing on short term (information technology, facilities) and long term (special education, curriculum) opportunities for shared services. Work is also progressing on securing (multiple) location(s) for our transition program, which may lead to the opportunity to offer tuition services for transition students. In addition to identifying a local facility at which to run our transition program, we are investigating the possibility of partnering with a local university to offer transition services as well.

**CAPSS Advanced Leadership & Superintendent Network.** I participate in professional learning activities facilitated by the Connecticut Center for School Change and Lead Connecticut. These sessions extend the learning of superintendents in the context of present day challenges and support the development of a professional learning community for school leaders that is directly applicable to the daily work of the superintendent. Most recently, I participated in an Instructional Rounds visit to Windsor Locks Middle School with a team of a dozen superintendents from across the state.



*This report is a synopsis of many of the undertakings, efforts, and achievements toward our District Goals and Objectives. It does not represent a complete and comprehensive account of all that has happened in the past month. I would encourage you to contact me directly if you have questions about items that you read or that you anticipated reading. I would be glad to discuss them.*

CLEAN

SAFE

HEALTHY

SCHOOLS

Amity Regional School  
District No. 5

25 Newton Road

Woodbridge, CT 06525

Phone: 203-397-4817

Fax: 203-397-4864



## Amity Regional School District No. 5

### Facilities Department Monthly Report

#### **Completed Projects:**

- The culinary classroom renovation project is complete.
- A leak was discovered in the building heating loop at Amity Regional High School. The leak is underground in an area that is not easily accessible. The re-piping will be above ground. Final repairs were completed on November 11 and 12, 2017.
- The auxiliary air conditioning unit that cools the server room at Amity Middle School, Bethany Campus, failed. A new unit was ordered and installed by in-house personnel.
- The old green house at Amity Middle School, Orange Campus, was damaged. Due to safety issues, it was dismantled by in-house personnel and disposed of.
- The sump pump that is in the well pit that serves the sprinkler system at Amity Middle School, Bethany Campus, stopped working. A new pump was installed by in-house personnel.
- The domestic hot water circulator pump at Amity Regional High School stopped working. A new pump was installed by in-house personnel.
- During a preventive maintenance visit, it was determined that the battery charger and battery on the emergency generator at Amity Middle School, Bethany Campus, was not working properly. A new battery and charger was installed by our vendor.
- The sensor upgrade projects for the chillers at both middle schools was completed after seasonal equipment shutdown.
- New ductwork insulation on the roof of Amity Middle School, Bethany Campus, was damaged. The damaged insulation was removed and replaced with new.

#### **Projects in process:**

- The heat exchanger at Amity Regional High School was damaged during an overheating event. It is currently being rebuilt and safeguards are being installed to prevent a future occurrence. When the system was refilled, it was determined that the flow meter was also damaged. A new one has been ordered and will be installed upon arrival. The system will then be refilled and put back into service.
- The auxiliary air conditioning unit that cools the industrial arts classroom at Amity Middle School, Orange Campus, failed. A replacement unit was ordered and will be replaced by in-house personnel.

#### **Outstanding issues to be addressed:**

- None at this time.



**AMITY REGIONAL SCHOOL DISTRICT NO. 5**

**Bethany Orange Woodbridge**  
**25 Newton Road, Woodbridge, Connecticut 06525**  
**(203) 397-4811**

**Dr. Charles Dumais**  
**Superintendent of Schools**

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**AMITY REGIONAL BOARD OF EDUCATION**  
**FINANCE COMMITTEE**

**December 11, 2017**

A meeting of the Finance Committee of the Amity Regional Board of Education will be held on  
Monday, December 11, 2017, at 5:30 p.m. in the Board Presentation Room.

**Agenda**

1. Call to Order
2. Discussion and Possible Action on Minutes
  - a. Finance Committee Meeting – November 13, 2017 (Enclosure) *Page 2*
3. Public Comment
4. Discussion and Possible Action on 2016-17 Financial Statements (Enclosure) *Page 5*
5. Discussion and Possible Action on capital project (Enclosure) *Page 101*
6. Discussion and Possible Action on Contracts of \$35,000 or More (Enclosure) *Page 102*
  - a. Septic Systems and Grease Pit Services
  - b. Trash and Recycling Services
  - c. Engineering Services (2)
7. Discussion of Monthly Financial Statements (Enclosure) *Page 105*
8. Director of Finance and Administration Approved Transfers Under \$3,000 (Enclosure) *Page 181*
9. Discussion and Possible Action on Budget Transfers of \$3,000 or More (Enclosure) *Page 182*
10. Other
  - a. Superintendent's 2018-2019 Budget Update
11. Adjourn

**NOTE:** All Board Members are invited to attend committee meetings.  
A quorum of the Board may be present.



Charles Dumais, Ed.D.  
Superintendent of Schools

CD/pjp  
cc: Town Clerks Bethany  
Orange  
Woodbridge

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**Working “to enable every Amity student to become a lifelong learner and  
A literate, caring, creative and effective world citizen.” District Mission Statement**

If you require accommodations to participate because of a disability,  
please contact the office of the Superintendent of Schools in advance at (203) 397-4811.

AMITY REGIONAL SCHOOL DISTRICT NO. 5 BOARD OF EDUCATION FINANCE COMMITTEE  
NOVEMBER 13, 2017 MEETING MINUTES

Page 1 of 3

*A meeting of the Amity Regional Board of Education Finance Committee was held on Monday, November 13, 2017 at 5:30 pm in the Board Presentation Room at 25 Newton Road in Woodbridge.*

COMMITTEE MEMBERS PRESENT

Chairperson John Belfonti, Ms. Patricia Cardozo, Mr. Matthew Giglietti, Mr. John Grabowski, Mr. John Nuzzo, and Ms. Jennifer Turner

COMMITTEE MEMBERS ABSENT

None

BOARD OF EDUCATION MEMBERS PRESENT

Ms. Paula Cofrancesco, Mr. Thomas Hurley, Ms. Sheila McCreven, and Ms. Diane Urbano

STAFF MEMBERS PRESENT

Dr. Charles Dumais, Ms. Theresa Lumas, Dr. Marie McPadden, and Mr. Scott Cleary

1. CALL TO ORDER

***Chairperson Belfonti called the meeting to order at 5:32 pm.***

2. DISCUSSION AND POSSIBLE ACTION ON MINUTES

Finance Committee Meeting, October 16, 2017 (Enclosure)

***Motion by Mr. Giglietti, Second by Mr. Grabowski to accept the minutes as submitted with the following correction: remove "Ms. Carlson" from vote results***

***Vote in favor, 4 (Ms. Cardozo, Mr. Giglietti, Mr. Grabowski, and Ms. Turner)***

***Abstained, 1 (Mr. Nuzzo)***

***MOTION CARRIED***

3. PUBLIC COMMENT

***None***

4. DISCUSSION REGARDING AMITY PENSION FUND, SICK AND SEVERANCE ACCOUNT, AND OPEB TRUST

5. DISCUSSION AND POSSIBLE ACTION ON CONTRACTS OF \$35,000 OR MORE

a. WORKER'S COMPENSATION AND LIABILITY, AUTOMOTIVE, PROPERTY INSURANCES

***Motion by Mr. Giglietti, Second by Mr. Grabowski to recommend that the Amity Board of Education award the workers' compensation insurance for July 1, 2018 to June 30, 2021, to Connecticut Interlock Risk Management Agency (CIRMA) of New Haven, Connecticut at the price of \$239,400 plus the audit premium to be determined. Price increases for years two and three will be based on payroll increases and claims; and award the liability, automobile, property insurance to Connecticut Interlock Risk Management Agency (CIRMA) of New Haven, Connecticut for the price of \$174,109 for July 1, 2018 to June 30, 2021, with a maximum of a three percent increase in the second and third years of the contract. This will be a three-year contract for workers' compensation and liability, automobile, and property insurance. Further, the Amity Board of Education waives the bid requirement.***

***Vote in favor, 5, unanimous (Ms. Cardozo, Ms. Carlson, Mr. Giglietti, Mr. Grabowski, Mr. Nuzzo, and Ms. Turner)***

***MOTION CARRIED***

b. FINANCIAL ACCOUNTING SYSTEM

***Motion by Mr. Giglietti, Second by Ms. Turner to recommend to the Amity Board of Education that the Superintendent of Schools be authorized to sign a three-year extension of the current support contract with Tyler Technologies for the MUNIS Financial Accounting Systems for a total cost of \$215,013; \$68,879 in year 1, \$71,635 in year 2, and \$74,499 in year 3. Also recommend that the Amity Board of Education waives the bid requirement.***

***Vote in favor, 5, unanimous (Ms. Cardozo, Ms. Carlson, Mr. Giglietti, Mr. Grabowski, Mr. Nuzzo, and Ms. Turner)***

***MOTION CARRIED***

AMITY REGIONAL SCHOOL DISTRICT NO. 5 BOARD OF EDUCATION FINANCE COMMITTEE  
NOVEMBER 13, 2017 MEETING MINUTES

Page 3 of 3

6. DISCUSSION OF MONTHLY FINANCIAL STATEMENTS
7. DIRECTOR OF FINANCE AND ADMINISTRATION APPROVED TRANSFERS UNDER \$3,000
8. DISCUSSION AND POSSIBLE ACTION ON BUDGET TRANSFERS OF \$3,000 OR MORE

***Motion by Ms. Cardozo, Second by Mr. Nuzzo to approve the requested budget transfer to cover tuition and services for outplaced students at public facilities.***

***Vote in favor, 5, unanimous (Ms. Cardozo, Mr. Giglietti, Mr. Grabowski, Mr. Nuzzo, and Ms. Turner)***

**MOTION CARRIED**

9. OTHER
  - a. Update on Excess Cost Grant
  - b. Update on Budget Development
  - c. Update on Financial Audit
  - d. Emergency Repair (water line)

10. ADJOURN

***Motion by Mr. Giglietti, Second by Ms. Cardozo to adjourn the meeting at 5:59 p.m.***

***Vote in favor, 5, unanimous (Ms. Cardozo, Mr. Giglietti, Mr. Grabowski, Mr. Nuzzo, and Ms. Turner)***

**MOTION CARRIED**

Respectfully submitted,

Pamela Pero  
Recording Secretary

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**AMITY REGIONAL SCHOOL DISTRICT NO. 5**

**BASIC FINANCIAL STATEMENTS,  
SUPPLEMENTARY INFORMATION AND  
INDEPENDENT AUDITOR'S REPORT**

**JUNE 30, 2017**

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**INDEPENDENT AUDITOR'S REPORT**

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Final Draft for Internal Use Only 12-06-2017



## INDEPENDENT AUDITOR'S REPORT

To the Board of Education  
Amity Regional School District No. 5  
Woodbridge, Connecticut

### 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 Amity Regional School District No. 5 (the "District") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Amity Regional School District No. 5, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **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 3 through 13, and the schedules on the District's pension and other post-employment benefit plans on pages 58 through 63 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 District's basic financial statements. The combining and individual fund financial statements and schedules on pages 64 through 72 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2017, on our consideration of the District'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 District's internal control over financial reporting and compliance.



Glastonbury, Connecticut  
December 8, 2017

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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Final Draft for Internal Use Only 12-06-2017

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED**

---

As management of Amity Regional School District No. 5 (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2017.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$66,219,729 (net position). Included in this amount is a deficit in unrestricted net position of \$3,838,515. This deficit is caused by long-term liabilities for pension and other post-employment benefits that the District intends to fund over time.
- The District's total net position for the year ended June 30, 2017 increased by \$2,112,593.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$2,549,584, an increase of \$1,149,517 in comparison with the prior year.
- The principal balance outstanding on the District's long-term bonded debt decreased by \$1,125,000 or 3.4% from \$33,370,000 as of June 30, 2016 to \$32,245,000 as of June 30, 2017.
- As of June 30, 2017, the District has recorded a liability to return the current year budgetary General Fund surplus of \$1,818,631 to its member towns.

**OVERVIEW OF THE 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 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, deferred outflows and inflows of resources, and liabilities, with net position as the residual of these other amounts. 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.

**OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

**Government-wide Financial Statements (Continued)**

The government-wide financial statements are intended to distinguish functions of the District that are principally supported by District and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include instruction and support services. The District does not have any business-type activities.

The government-wide financial statements can be found on pages 14 and 15 of this report.

**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 three categories: governmental funds, proprietary funds and fiduciary funds.

**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 the 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 a number of individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and the Reserve Fund for Capital and Nonrecurring, both of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for these nonmajor governmental funds is provided in the form of a combining statement elsewhere in this report.

The basic governmental fund financial statements can be found on pages 16 through 20 of this report.

**OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

**Fund Financial Statements (Continued)**

**Proprietary Funds**

The District maintains one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses an internal service fund to account for its risk management activities. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 21 through 23 of this report.

**Fiduciary Funds**

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

The basic fiduciary fund financial statements can be found on pages 24 and 25 of this report.

**Notes to the Financial Statements**

The notes to the financial statements 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 financial statements can be found on pages 26 through 57 of this report.

**Required Supplementary Information**

The schedule of net pension and OPEB liabilities, schedule of contributions and investment returns, and schedules of funding progress for the District's benefit plans can be found on pages 58 through 63 of this report.

**Other Information**

Combining and individual fund statements and schedules can be found on pages 64 through 72 of this report.

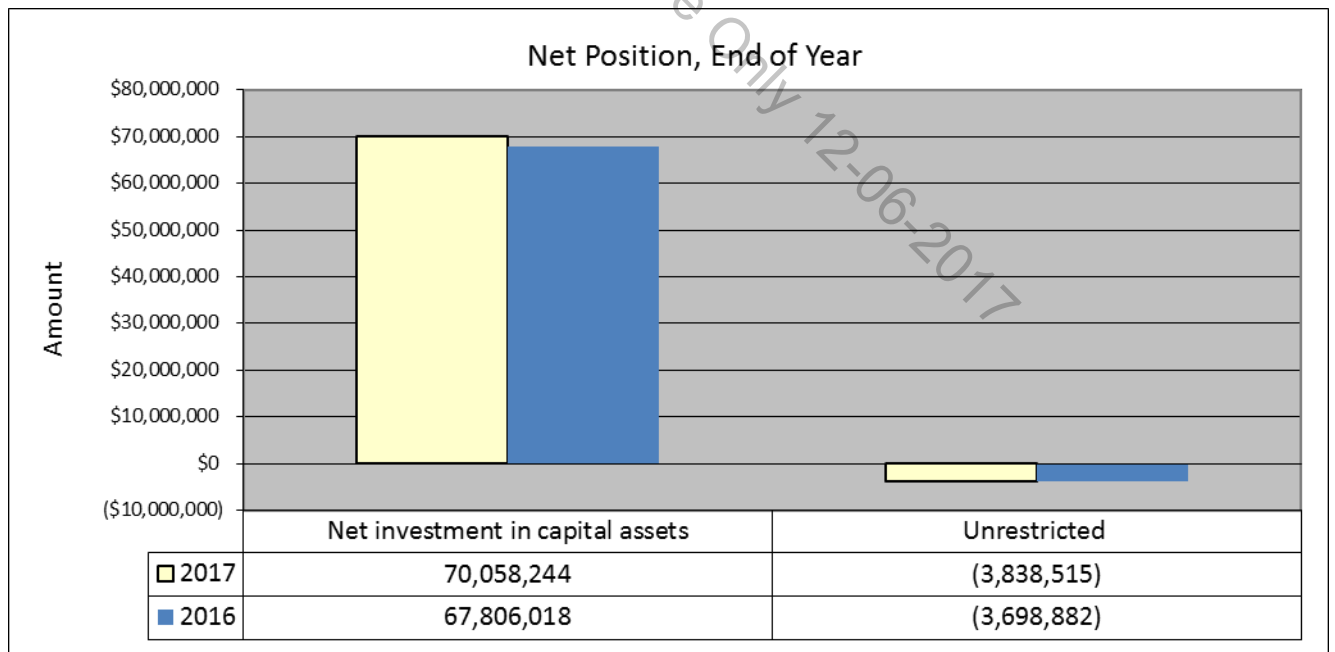
**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (Continued)**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net Position**

Over time, net position may serve as one measure of a government's financial position. Total net position of the District totaled \$66,219,729 and \$64,107,136 as of June 30, 2017 and 2016, respectively, and are summarized as follows:

	<b>2017</b>	<b>2016</b>
Current and other assets	\$ 7,173,180	\$ 4,889,086
Capital assets, net	100,962,731	101,840,803
Total assets	108,135,911	106,729,889
Deferred outflows of resources	1,642,127	3,015,423
Long-term liabilities	39,555,384	42,383,929
Other liabilities	3,778,507	3,098,423
Total liabilities	43,333,891	45,482,352
Deferred inflows of resources	224,418	155,824
Net position:		
Net investment in capital assets	70,058,244	67,806,018
Unrestricted	(3,838,515)	(3,698,882)
Total net position	<u>\$ 66,219,729</u>	<u>\$ 64,107,136</u>



**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (Continued)**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Net Position (Continued)**

The District's net position primarily reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; 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.

**Change in Net Position**

Changes in net position for the years ended June 30, 2017 and 2016 are as follows.

	<u>2017</u>	<u>2016</u>
Revenues		
Program revenues:		
Charges for services	\$ 1,009,767	\$ 995,937
Operating grants and contributions	6,442,640	6,114,433
Capital grants and contributions	285,699	-
General revenues:		
Assessments to member towns	44,470,942	44,607,637
Unrestricted investment earnings	16,565	7,319
Total revenues	<u>52,225,613</u>	<u>51,725,326</u>
Program expenses:		
General instruction	30,200,679	30,177,171
Support services - students	3,756,610	3,744,200
Improvement of instruction	585,796	592,405
Media	563,882	716,847
General administration	5,110,091	4,819,074
Buildings and grounds	5,570,093	5,231,964
Transportation	1,703,592	1,673,867
Student activities	1,634,589	1,564,880
Interest expense	987,688	1,278,432
Total expenses	<u>50,113,020</u>	<u>49,798,840</u>
Change in net position	<u>\$ 2,112,593</u>	<u>\$ 1,926,486</u>

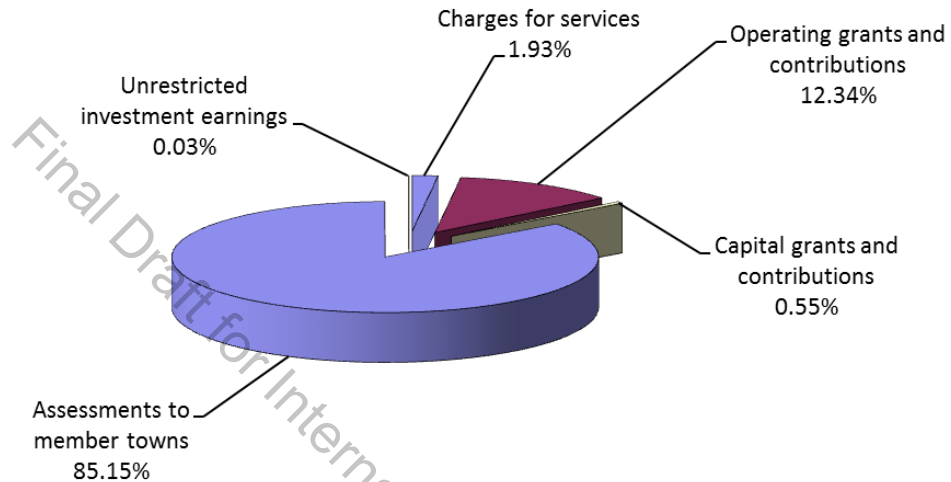


**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (Continued)**

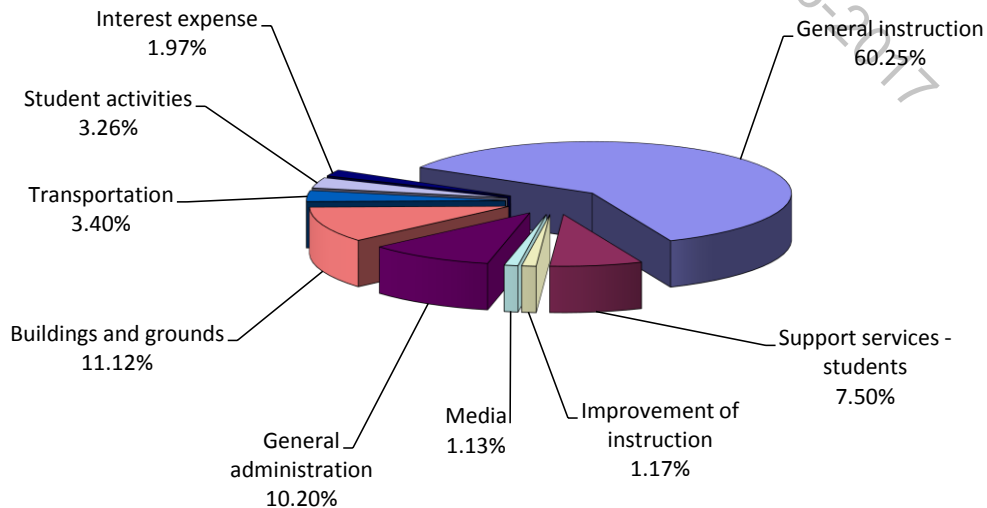
**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Change in Net Position (Continued)**

**2017 Revenues by Source -  
Governmental Activities**



**2017 Expenses by Function -  
Governmental Activities**



**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (Continued)**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Change in Net Position (Continued)**

The change in net position for fiscal year 2017 was an increase of \$186,107 over the prior year change in net position. Revenues increased by \$500,287 or 1.0% primarily due to increases in both operating and capital grants. Expenditures increased by \$314,180 or 0.6% due to current operating increases being offset by reductions in long-term obligations.

**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, committed and assigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$2,549,584, an increase in fund balance of \$1,149,517 over the prior year. This increase was driven by proceeds from the issuance of bonds to fund various capital projects.

**General Fund**

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, fund balance of the General Fund totaled \$276,509 and has been encumbered for specific purposes.

The overall fund balance of the General Fund decreased by \$23,556 during the current year.

**Reserve Fund for Capital and Nonrecurring**

The Reserve Fund for Capital and Nonrecurring has a fund balance of \$2,062,059 as of June 30, 2017. This represents an increase in fund balance of \$1,174,215 compared to the prior year. This increase was driven by proceeds from the issuance of bonds to fund various capital projects.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (Continued)**

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**GENERAL FUND BUDGETARY HIGHLIGHTS**

The District's original budget did not contemplate the use of fund balance and there were no additional appropriations authorized during the fiscal year. Transfers between budget line items occurred throughout the year with the Board of Education's approval. Overall, there was no change in budgetary fund balance as any budgetary surplus is returned to the District's member towns. Revenues were \$2,111,215 lower than anticipated due to the return of \$1,818,631 to the member towns. Expenditures were approximately \$2,086,082 lower than anticipated due to increased budgetary monitoring and overall cost savings.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

The District's investment in capital assets for its governmental activities as of June 30, 2017 totaled \$100,962,731 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, improvements other than buildings, and furniture and equipment. The net decrease in the District's investment in capital assets for the current fiscal year was \$878,072 or 0.9%. This was due to depreciation expense of \$2,105,528 offset by capital acquisitions of \$1,227,456.

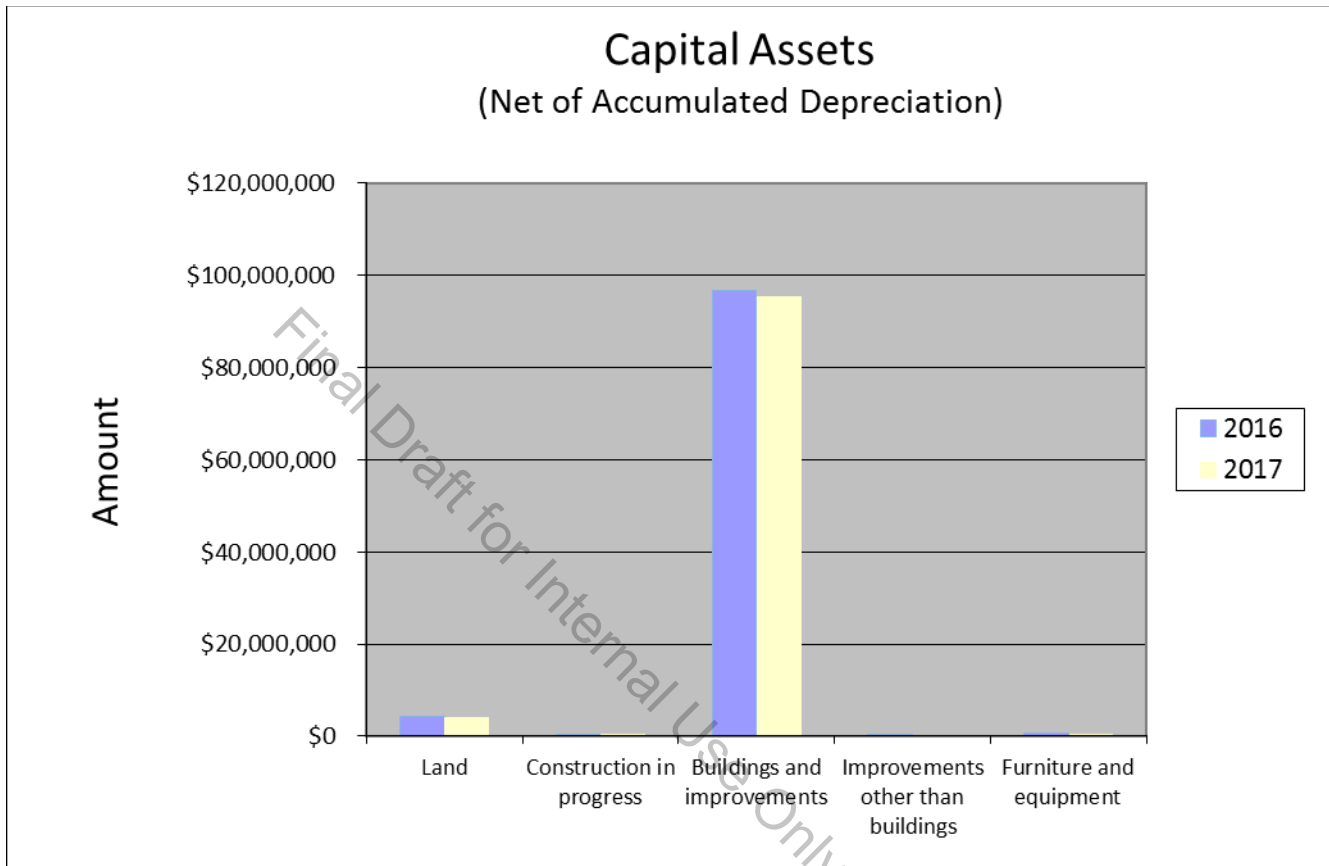
The following table is a two year comparison of the District's investment in capital assets, net of accumulated depreciation and amortization:

	<b>2017</b>	<b>2016</b>
Land	\$ 4,186,566	\$ 4,186,566
Construction in progress	469,714	64,044
Buildings and improvements	95,474,760	96,822,722
Improvements other than buildings	227,366	189,488
Furniture and equipment	604,325	577,983
Totals	<u>\$ 100,962,731</u>	<u>\$ 101,840,803</u>

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (Continued)

**CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)**

**Capital Assets (Continued)**



Additional information on the District's capital assets can be found in Note 5 of this report.

**Long-term Debt**

At the end of the current fiscal year, the District had total bonded debt outstanding of \$32,245,000, all of which is backed by the full faith and credit of the District and its member towns of Bethany, Orange and Woodbridge. Total long-term debt decreased by \$1,125,000 or 3.4%. The change in long-term debt included the issuance of \$1,960,000 in general obligation bonds to fund various capital projects, the issuance of \$12,130,000 in general obligation refunding bonds to advance refund \$11,755,000 in general obligation bonds previously outstanding, offset by current year scheduled debt service repayments of \$3,460,000.

The District maintains an "AA+" and an "Aa1" rating from Fitch Ratings and Moody's Investor Service, respectively, for general obligation debt.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (Continued)**

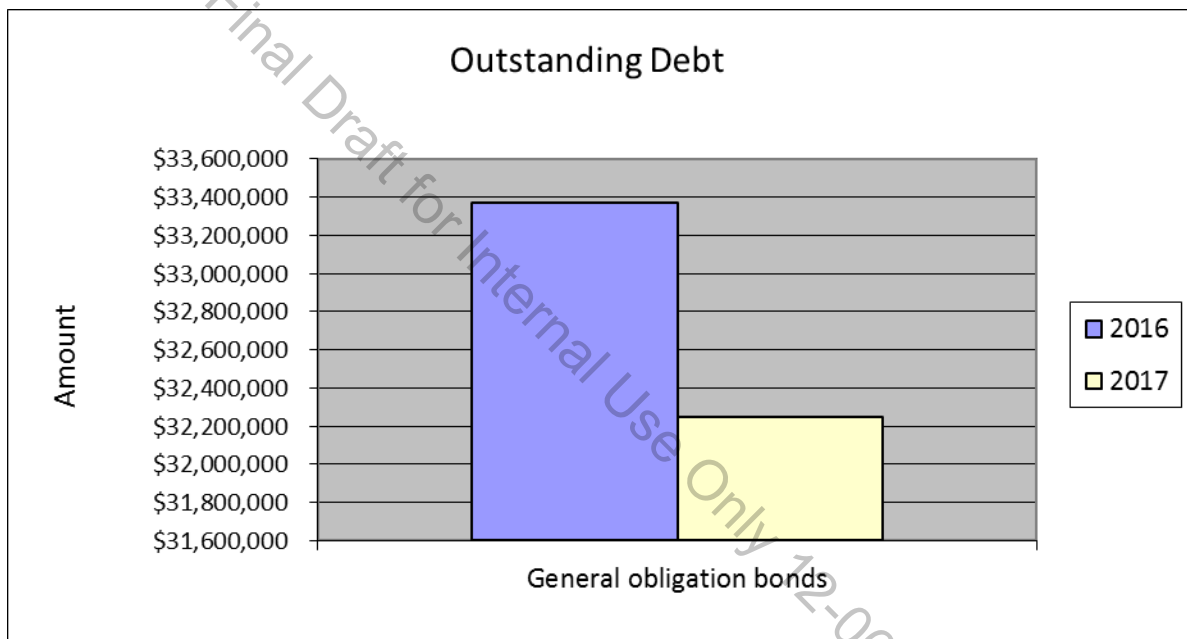
**CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)**

**Long-term Debt (Continued)**

State statutes limit the amount of general obligation debt the District may issue to four and a half times its annual receipts from member towns, as defined by the statutes. The current debt limitation for the District is \$200,119,239, which is significantly in excess of the District's outstanding general obligation debt.

The following table is a two year comparison of long-term debt:

	<b>2017</b>	<b>2016</b>
General obligation bonds	\$ 32,245,000	\$ 33,370,000



Additional information on the District's long-term debt can be found in Note 7 of this report.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED (Continued)**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

A summary of key economic factors affecting the District are as follows:

- The District's expenses for medical insurance, contractual salaries, special education costs, and unfunded and under-funded State and Federal mandates increased significantly for fiscal year 2017 compared to prior years.
- The District receives a significant amount of revenue from federal and state grants. Any loss or significant reduction in these grants could have an impact on the District's budget and program services.

All of these factors were considered in preparing the District's budget for fiscal year 2018. The District's fiscal year 2018 General Fund budget was approved on May 4, 2017. The fiscal year 2018 budget contemplated expenditures of \$48,439,163, an increase of \$603,464, or 1.26%, over the original fiscal year 2017 budgeted expenditures.

**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 District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Superintendent, 25 Newtown Road, Woodbridge, CT 06525.

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**BASIC FINANCIAL STATEMENTS**

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Final Draft for Internal Use Only 12-06-2017

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**

**STATEMENT OF NET POSITION**

JUNE 30, 2017

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 7,021,025
Receivables:	
Grants and contracts	28,058
Other	48,680
Inventories	19,316
Other	56,101
Capital assets:	
Non-depreciable	4,656,280
Depreciable, net	96,306,451
Total assets	<u>108,135,911</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred charges on refundings	561,407
Deferred charges on pension	<u>1,080,720</u>
	<u>1,642,127</u>
<b>LIABILITIES</b>	
Accounts payable	1,015,628
Accrued liabilities	505,014
Unearned revenue	98,091
Claims payable	341,143
Due to member towns	1,818,631
Noncurrent liabilities:	
Due within one year	3,648,429
Due in more than one year	<u>35,906,955</u>
Total liabilities	<u>43,333,891</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred charges on pension	<u>224,418</u>
<b>NET POSITION</b>	
Net investment in capital assets	70,058,244
Unrestricted deficit	<u>(3,838,515)</u>
Total net position	<u>\$ 66,219,729</u>

*The accompanying notes are an integral part of these financial statements.*



**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2017**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position- Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Instruction:					
General instruction	\$ 30,200,679	\$ 167,683	\$ 6,096,202	\$ -	\$ (23,936,794)
Support services:					
Support services - students	3,756,610	698,830	135,044	-	(2,922,736)
Improvement of instruction	585,796	-	121,240	-	(464,556)
Media	563,882	-	-	-	(563,882)
General administration	5,110,091	69,928	-	-	(5,040,163)
Buildings and grounds	5,570,093	50,096	-	285,699	(5,234,298)
Transportation	1,703,592	-	90,154	-	(1,613,438)
Student activities	1,634,589	23,230	-	-	(1,611,359)
Total support services	18,924,653	842,084	346,438	285,699	(17,450,432)
Interest expense	987,688	-	-	-	(987,688)
	<u>\$ 50,113,020</u>	<u>\$ 1,009,767</u>	<u>\$ 6,442,640</u>	<u>\$ 285,699</u>	<u>(42,374,914)</u>
General revenues:					
Assessments to member towns					44,470,942
Unrestricted investment earnings					16,565
Total general revenues					<u>44,487,507</u>
		Change in net position			2,112,593
		Net position - beginning			<u>64,107,136</u>
		Net position - ending			<u>\$ 66,219,729</u>

The accompanying notes are an integral part of these financial statements.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2017**

	<b>General Fund</b>	<b>Reserve Fund for Capital and Nonrecurring</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,554,536	\$ 2,420,457	\$ 505,787	\$ 5,480,780
Receivables:				
Grants and contracts	9,556	-	12,140	21,696
Other	5,253	-	-	5,253
Due from other funds	103,303	-	15,152	118,455
Inventories	-	-	19,316	19,316
Total assets	<u>\$ 2,672,648</u>	<u>\$ 2,420,457</u>	<u>\$ 552,395</u>	<u>\$ 5,645,500</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 511,823	\$ 357,213	\$ 146,592	\$ 1,015,628
Accrued liabilities	65,637	-	-	65,637
Due to member towns	1,818,631	-	-	1,818,631
Due to other funds	48	1,185	117,222	118,455
Unearned revenue	-	-	77,565	77,565
Total liabilities	<u>2,396,139</u>	<u>358,398</u>	<u>341,379</u>	<u>3,095,916</u>
<b>FUND BALANCES</b>				
Nonspendable - inventories	-	-	19,316	19,316
Restricted for:				
Capital purposes	-	1,571,473	-	1,571,473
Committed for:				
Capital purposes	-	490,586	-	490,586
Cafeteria operations	-	-	61,611	61,611
Educational purposes	-	-	131,501	131,501
Assigned to:				
General instruction	145,126	-	-	145,126
Support services - student	2,994	-	-	2,994
Media	376	-	-	376
General administration	6,565	-	-	6,565
Transportation	658	-	-	658
Employee benefits	7,732	-	-	7,732
Student activities	11,240	-	-	11,240
Buildings and grounds	101,818	-	-	101,818
Unassigned	-	-	(1,412)	(1,412)
Total fund balances	<u>276,509</u>	<u>2,062,059</u>	<u>211,016</u>	<u>2,549,584</u>
Total liabilities and fund balances	<u>\$ 2,672,648</u>	<u>\$ 2,420,457</u>	<u>\$ 552,395</u>	<u>\$ 5,645,500</u>

*The accompanying notes are an integral part of these financial statements.*

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**RECONCILIATION OF THE BALANCE SHEET OF**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2017**

Total fund balances for governmental funds \$ 2,549,584

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. Those assets consist of:

Land	\$ 4,186,566	
Construction in progress	469,714	
Buildings and improvements	114,585,235	
Improvements other than buildings	334,196	
Furniture and equipment	1,087,760	
Less: accumulated depreciation and amortization	<u>(19,700,740)</u>	
Total capital assets, net		100,962,731

School construction grants receivable from the State of Connecticut are not susceptible to accrual and are therefore not reported in the governmental funds. 6,362

Net sick and severance assets are not recognized in the governmental funds. The net sick and severance asset results from the difference between the plan's fiduciary net position and the portion of the present value of projected benefit payments to be provided through the sick and severance plan. 56,101

Deferred inflows and outflows of resources resulting from changes in the components of the net pension liability are reported in the statement of net position. 856,302

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and, accordingly, are not reported as governmental fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Those liabilities consist of:

Accrued interest payable	(439,377)	
Long-term debt:		
Bonds payable	(32,245,000)	
Unamortized premium	(674,449)	
Deferred charges on refundings	561,407	
Other long-term liabilities:		
Net OPEB obligation	(1,645,878)	
Net pension liability	(4,853,077)	
Capital lease obligations	(117,918)	
Vacation accrual payable	<u>(19,062)</u>	
Total long-term liabilities		(39,433,354)

An internal service fund is used by the District to charge the cost of risk management activities to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. 1,222,003

Net position of governmental activities \$ 66,219,729

*The accompanying notes are an integral part of these financial statements.*

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<b>General Fund</b>	<b>Reserve Fund for Capital and Nonrecurring</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>				
Assessments to member towns	\$ 44,470,942	\$ -	\$ -	\$ 44,470,942
Intergovernmental	5,665,697	-	747,002	6,412,699
Charges for services	139,909	-	814,460	954,369
Interest income	16,565	-	-	16,565
Other	55,398	285,699	36,432	377,529
Total revenues	<u>50,348,511</u>	<u>285,699</u>	<u>1,597,894</u>	<u>52,232,104</u>
<b>EXPENDITURES</b>				
Current:				
General instruction	25,470,502	-	529,978	26,000,480
Support services:				
Support services - student	2,363,508	-	837,698	3,201,206
Improvement of instruction	399,081	-	121,240	520,321
Media	461,947	-	-	461,947
General administration	4,219,189	-	110,120	4,329,309
Transportation	1,703,592	-	-	1,703,592
Employee benefits	6,112,080	-	-	6,112,080
Student activities	1,443,495	-	-	1,443,495
Buildings and grounds	3,166,095	-	-	3,166,095
Capital outlays	257,515	1,240,200	-	1,497,715
Debt service:				
Principal payments	3,519,211	-	-	3,519,211
Interest and fiscal charges	1,131,792	21,479	-	1,153,271
Total expenditures	<u>50,248,007</u>	<u>1,261,679</u>	<u>1,599,036</u>	<u>53,108,722</u>
Excess (deficiency) of revenues over expenditures	100,504	(975,980)	(1,142)	(876,618)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from bonds	-	1,960,000	-	1,960,000
Proceeds from refunding bonds	12,130,000	-	-	12,130,000
Premium on bonds	-	190,195	-	190,195
Payment to refunded bonds escrow agent	(12,254,060)	-	-	(12,254,060)
Total other financing sources (uses)	<u>(124,060)</u>	<u>2,150,195</u>	<u>-</u>	<u>2,026,135</u>
Net changes in fund balances	(23,556)	1,174,215	(1,142)	1,149,517
Fund balances - beginning	<u>300,065</u>	<u>887,844</u>	<u>212,158</u>	<u>1,400,067</u>
Fund balances - ending	<u>\$ 276,509</u>	<u>\$ 2,062,059</u>	<u>\$ 211,016</u>	<u>\$ 2,549,584</u>

*The accompanying notes are an integral part of these financial statements.*

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2017**

Net change in fund balances for governmental funds \$ 1,149,517

Total change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. The amount by which depreciation and amortization exceeded capital outlays in the current period is as follows:

Expenditures for capital assets	\$ 1,227,456	
Depreciation and amortization expense	(2,105,528)	
Net adjustment		(878,072)

Intergovernmental revenue on school construction grants is not susceptible to accrual and therefore is only reported as revenue in the governmental funds when the cash is received by the District. In the government-wide financial statements, the cash received reduces the grant receivable recognized in the government-wide statement of net position. (6,491)

Deferred outflows and inflows of resources resulting from changes in the components of the net pension liability are amortized as a component of expense in the statement of activities. (293,549)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. However, neither transaction has any effect on net position. The effect of these differences in the treatment of long-term debt and related items is as follows:

Debt issued or incurred:		
Bonds	(1,960,000)	
Premium on bonds	(190,195)	
Refunding bonds	(12,130,000)	
Principal repayments:		
Bonds	3,460,000	
Payment to refunded bonds escrow agent	12,254,060	
Capital lease financing	59,211	
Net adjustment		1,493,076

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. However, in the statement of activities, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. Also, governmental funds recognize the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of such items is as follows:

Accrued interest	99,834	
Amortization of deferred charge on refunding	(59,128)	
Amortization of bond premiums, net	71,608	
Loss on refunding	53,269	
Net OPEB obligation	(144,759)	
Net pension liability	329,573	
Vacation accrual payable	(7,334)	
Net adjustment		343,063

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of a certain internal service fund is reported with governmental activities.

Change in net position of governmental activities	\$	2,112,593
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*The accompanying notes are an integral part of these financial statements .*

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Budgeted Amounts</b>			<b>Variance With Final Budget Over (Under)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
Assessments to member towns	\$ 46,289,573	\$ 46,289,573	\$ 44,470,942	\$ (1,818,631)
Intergovernmental	1,409,712	1,409,712	1,041,670	(368,042)
Charges for services	109,934	109,934	139,909	29,975
Interest income	2,000	2,000	16,565	14,565
Other	24,480	24,480	55,398	30,918
Total revenues	47,835,699	47,835,699	45,724,484	(2,111,215)
<b>EXPENDITURES</b>				
Current:				
Salaries	24,967,936	25,316,932	24,458,191	(858,741)
Employee benefits	6,143,208	6,356,202	6,002,563	(353,639)
Instruction	504,783	486,880	470,121	(16,759)
Pupil transport	3,066,989	2,835,859	2,771,557	(64,302)
Tuition	3,757,143	3,360,022	3,235,656	(124,366)
Purchased services	1,354,766	1,465,298	1,253,504	(211,794)
Rental and other services	603,975	608,155	575,930	(32,225)
Buildings and grounds	927,210	927,444	905,731	(21,713)
Utilities	936,970	956,483	769,926	(186,557)
Property and liability insurance	220,548	218,548	217,543	(1,005)
Travel and memberships	158,798	158,571	136,291	(22,280)
Contingency	150,000	101,426	-	(101,426)
Capital outlays	334,160	334,666	243,391	(91,275)
Debt service:				
Principal	3,460,000	3,460,000	3,460,000	-
Interest	1,249,213	1,249,213	1,249,213	-
Total expenditures	47,835,699	47,835,699	45,749,617	(2,086,082)
Excess (deficiency) of revenues over expenditures	-	-	(25,133)	(25,133)
<b>OTHER FINANCING SOURCES</b>				
Cancellation of prior year encumbrances	-	-	25,133	25,133
Total other financing sources	-	-	25,133	25,133
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance - beginning			-	
Fund balance - ending			\$ -	

*The accompanying notes are an integral part of these financial statements.*

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**JUNE 30, 2017**

	<b>Governmental Activities Internal Service Fund</b>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 1,540,245
Receivables	43,427
Total assets	<u>1,583,672</u>
<b>LIABILITIES</b>	
Current liabilities:	
Claims payable	341,143
Unearned revenue	20,526
Total liabilities	<u>361,669</u>
<b>NET POSITION</b>	
Unrestricted	1,222,003
Total net position	<u><u>\$ 1,222,003</u></u>

*The accompanying notes are an integral part of these financial statements.*

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Governmental Activities Internal Service Fund</b>
<b>OPERATING REVENUES</b>	
Charges for services	\$ 4,730,931
Total operating revenues	<u>4,730,931</u>
<b>OPERATING EXPENSES</b>	
Claims incurred	3,746,518
Administrative and other	679,364
Total operating expenses	<u>4,425,882</u>
Change in net position	305,049
Net position - beginning	<u>916,954</u>
Net position - ending	<u><u>\$ 1,222,003</u></u>

*The accompanying notes are an integral part of these financial statements.*



**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Governmental Activities Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from employer and plan participants	\$ 4,716,669
Cash payments for claims incurred	(3,807,521)
Cash payments to contractors for administration	(679,364)
Net cash provided by operating activities	<u>229,784</u>
Net increase in cash and cash equivalents	229,784
Cash and cash equivalents, beginning of year	<u>1,310,461</u>
Cash and cash equivalents, end of year	<u><u>\$ 1,540,245</u></u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating income	\$ 305,049
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in accounts receivable	(42,082)
Decrease in accounts payable	(61,003)
Decrease in unearned revenue	(8,579)
Decrease in due from other funds	36,399
Net cash provided by operating activities	<u><u>\$ 229,784</u></u>

*The accompanying notes are an integral part of these financial statements.*

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2017**

	<b>Pension, Other Post-Employment Benefit and Sick &amp; Severance Trust Funds</b>	<b>Private- Purpose Trust Fund</b>	<b>Agency Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 107,614	\$ 184,038	\$ 346,730
Investments - mutual funds	13,291,945	-	-
Receivables	-	200	-
Total assets	<u>13,399,559</u>	<u>184,238</u>	<u>\$ 346,730</u>
<b>LIABILITIES</b>			
Accounts payable	-	-	\$ 5,335
Due to others	-	-	341,395
Total liabilities	<u>-</u>	<u>-</u>	<u>\$ 346,730</u>
<b>NET POSITION</b>			
Held in trust for pension benefits, other post-employment benefits and other purposes	<u>\$ 13,399,559</u>	<u>\$ 184,238</u>	

*The accompanying notes are an integral part of these financial statements .*

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Pension, Other Post-Employment Benefit and Sick &amp; Severance Trust Funds</b>	<b>Private- Purpose Trust Fund</b>
<b>ADDITIONS</b>		
Contributions:		
Employer	\$ 1,019,676	\$ -
Employee	81,533	-
Other	-	54,471
Total contributions	<u>1,101,209</u>	<u>54,471</u>
Investment earnings:		
Interest and dividends	323,363	1,262
Net change in the fair value of investments	<u>1,023,171</u>	<u>-</u>
Total investment earnings	<u>1,346,534</u>	<u>1,262</u>
Total additions	<u>2,447,743</u>	<u>55,733</u>
<b>DEDUCTIONS</b>		
Benefit payments	679,276	-
Administrative expenses	13,217	-
Scholarships	-	52,415
Total deductions	<u>692,493</u>	<u>52,415</u>
Change in net position	1,755,250	3,318
Net position - beginning	<u>11,644,309</u>	<u>180,920</u>
Net position - ending	<u>\$ 13,399,559</u>	<u>\$ 184,238</u>

*The accompanying notes are an integral part of these financial statements .*

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Amity Regional School District No. 5 (the "District") conform to accounting principles generally accepted in the United States of America, as applicable to governmental organizations. The following is a summary of significant accounting policies:

**Financial Reporting Entity**

**History and Organization**

The District was formed in 1953 for the purpose of providing secondary school education to the residents of the towns of Orange, Woodbridge and Bethany, Connecticut. It consists of one senior high school and two middle schools.

The District is governed by a Regional Board of Education consisting of thirteen members selected by the three towns it serves. The members of the Board serve for four-year terms. In addition, the District has a Superintendent of Schools and a Director of Finance and Administration, hired by the Board of Education, who manage the day-to-day affairs of the District.

The District's operating and debt service expenses are paid by the member towns in proportion to the number of attending pupils. The approximate current year (2016/2017) assessment percentages are: Bethany, 20 percent; Orange, 49 percent; and Woodbridge, 31 percent.

The basic financial statements of the reporting entity include only the funds of the District as no component units exist based on operational or financial relationships with the District.

**Government-wide and Fund Financial Statements**

**Government-wide Financial Statements**

The statement of net position and the statement of activities display information about the District and include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through payments from the member towns, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The District has no business-type activities.

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

**Fund Financial Statements**

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each of which is displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor governmental funds.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Government-wide and Fund Financial Statements (Continued)**

The District reports the following major governmental funds:

**General Fund** - This fund is the District's primary operating fund. It accounts for all financial resources of the District, except those accounted for and reported in another fund.

**Reserve Fund for Capital and Nonrecurring** - This fund accounts for financial resources used for the financing of the planning, construction, reconstruction or acquisition of any specific capital improvement or the acquisition of specific equipment.

In addition, the District reports the following fund types:

**Internal Service Fund (proprietary)** - This fund accounts for self-insurance activities that provide goods or services to other funds or departments of the District on a cost-reimbursement basis. The District utilizes this fund to account for risk management activities relating to medical insurance.

**Pension Trust Fund** - This fund is used to account for the activities of the Amity Regional School District No. 5 Pension Plan, which accumulates resources for pension benefit payments to qualified employees.

**Other Post-Employment Benefits Trust Fund** - This fund is used to account for the accumulation of resources to pay retiree medical benefits.

**Sick and Severance Trust Fund** - This fund is used to account for the accumulation of resources to pay sick and severance benefits to eligible employees.

**Private-Purpose Trust Fund** - This fund is used to account for resources legally held in trust for scholarships. All resources of the fund, including any earnings on invested resources, may be used for student scholarships. There is no requirement that any portion be preserved as capital.

**Agency Funds** - These funds are used to account for resources held by the District in a purely custodial capacity. The District utilizes these funds to account for monies held on-behalf of students.

**Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and 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. Revenues from the member towns are recognized as revenues in the year for which they are assessed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Measurement Focus and Basis of Accounting (Continued)**

The 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, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital lease are reported as other financing sources.

Revenues from member towns, grants and contracts, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when the cash is received.

Proprietary, pension and other post-employment benefit trusts, and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service fund consist of charges for insurance premiums. Operating expenses of the District's internal service fund consist of claims incurred and administrative expenses. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Implementation of Accounting Standards**

Effective July 1, 2016, the District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans other than Pension Plans*, GASB Statement No. 77, *Tax Abatement Disclosures*, GASB Statement No. 78, *Pensions Provided through Certain Multiple Employer Defined Benefit Pension Plans*, GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, GASB Statement No. 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14*, and GASB Statement No. 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*. The implementation of GASB Statement No. 74 resulted in changes to the disclosures and required supplementary information relating to the District's other post-employment benefit plan. The implementation of GASB Statement No. 74 had no impact on the District's financial position or on the financial position of the District's other post-employment benefit trust fund. The adoption of the other statements did not have a material effect on the District's financial statements.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

**Investments**

Investments are measured by the District at fair value (generally based on quoted market prices), except for investments in certain external investments pools as described below.

Investments in external investment pools consist of money market mutual funds and the Short-Term Investment Fund (STIF), which is managed by the State of Connecticut Treasurer's Office. Investments in these types of funds, which are permitted to measure their investment holdings at amortized costs, are measured by the District at the net asset value per share as determined by the pool.

**Inventories**

Inventories are reported at cost using the first-in first-out (FIFO) method, except for USDA donated commodities, which are recorded at market value. Inventories are recorded as expenditures when consumed rather than when purchased.

**Capital Assets**

Capital assets, which include land, buildings and improvements, improvements other than buildings and furniture and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of 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.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

**Capital Assets (Continued)**

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

Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	20 - 75
Improvements other than building	10 - 20
Furniture and equipment	5 - 40

**Unearned Revenue**

Unearned revenue represents resources that have been received but not yet earned.

**Deferred Outflows/Inflows of Resources**

Deferred outflows and inflows of resources represent an acquisition or consumption of net position that applies to a future period(s) and so will not be recognized as an inflow or outflow of resources until that time.

Deferred outflows of resources include deferred charges on refundings, which are amortized to interest expense using the effective-interest method over the life of the related bonds. Deferred outflows and inflows of resources also include deferred charges on the District's pension expenses, which are amortized as a component of pension expense on a systematic and rational basis.

**Long-term Obligations**

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



**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

**Long-term Obligations (Continued)**

In the governmental fund financial statements, bond premiums and discounts are recognized 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.

**Compensated Absences**

Certain employees are granted vacation and sick leave based upon length of employment. A maximum of five days vacation may be carried over only with the approval of the Superintendent. Sick days can also be accumulated up to certain limits and are payable upon death, retirement or termination using a prescribed formula.

All compensated absences are recorded when incurred in the government-wide financial statements. Expenditures for compensated absences are recognized in the governmental fund financial statements in the current year to the extent they are paid during the year, or the vested amount is expected to be paid with available resources.

**Net Position/Fund Balance**

The government-wide statement of net position presents the District's non-fiduciary assets, liabilities and deferred outflows and inflows of resources, with net position as the residual of these elements. Net position is reported in three categories:

**Net investment in capital assets** - This component of net position consists of capital assets, net of accumulated depreciation and amortization and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction or improvement of capital assets.

**Restricted net position** - This component of net position consists of amounts restricted either through external restrictions imposed by creditors, grantors, contributors, and the like, or through restrictions imposed by law through constitutional provisions or enabling legislation.

**Unrestricted net position** - This component of net position is the net amount of the assets, liabilities, and deferred outflows and inflows of resources which do not meet the definition of the two preceding categories.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

**Net Position/Fund Balance (Continued)**

The District's governmental funds report the following fund balance categories:

***Nonspendable*** - Amounts that cannot be spent because they are not in spendable form or they are legally or contractually required to be maintained intact.

***Restricted*** - Constraints are placed on the use of resources that are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through enabling legislation.

***Committed*** - Amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Education (the highest level of decision making authority of the District) and cannot be used for any other purpose unless the District removes or changes the specified use by taking the same formal action.

***Assigned*** - Amounts are constrained by the District's intent to be used for specific purposes, but are not restricted or committed. Amounts may be constrained to be used for a specific purpose by a governing board or body or official that has been delegated authority to assign amounts by Connecticut General Statutes and include the Superintendent and Director of Finance and Administration.

***Unassigned*** - Residual classification for the General Fund or amounts necessary in other governmental funds to eliminate otherwise negative fund balance amounts in the other four categories.

***Net Position Flow Assumption***

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

In accordance with the District's policy, the District considers restricted net position to have been depleted before unrestricted net position is applied.

***Fund Balance Flow Assumption***

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

In accordance with the District's policy, the District uses restricted resources first, then unrestricted resources as needed. Unrestricted resources are used in the following order: committed; assigned; then unassigned.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

**Interfund Activities**

Interfund activities are reported as follows:

***Interfund Receivables and Payables***

Activity between funds that are 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 non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

***Interfund Services Provided and Used***

Sales and purchases of goods and services between funds for a price approximating their external exchange value are reported as revenues and expenditures, or expenses, in the applicable funds.

***Interfund Transfers***

Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In the governmental fund financial statements, transfers are reported as other financing uses in the funds making transfers and other financing sources in the funds receiving transfers.

***Interfund Reimbursements***

Interfund reimbursements represent repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

**NOTE 2 - BUDGETARY INFORMATION**

**Budgetary Information**

The District adheres to the following procedures in establishing the budgetary data reported in the financial statements:

- The District legally adopts an annual budget for the General Fund pursuant to 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.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 2 - BUDGETARY INFORMATION (Continued)**

**Budgetary Information (Continued)**

- 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.
- Annually, prior to the annual meeting of the Board, a public budget meeting is held for the purpose of presenting and voting upon a regional school budget.
- After the budget is approved, the Board estimates the share of the net expenditures to be paid by each member town in accordance with Connecticut General Statutes Section 10-51, and notifies the respective member town's treasurer thereof.
- 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. Transfers from one budget line to another may be made by the Director of Finance and Administration with the approval of the Superintendent, Finance Committee and Board of Education.
- The Board does not have the authority to expend beyond the total budget appropriation without Board of Education and member town approval.
- 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 Project Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.
- No additional appropriations were authorized during the year ended June 30, 2017.

As described above, accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP basis"). A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2017:

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

**NOTE 2 - BUDGETARY INFORMATION (Continued)**

**Budgetary Information (Continued)**

	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>	<u>Change in Fund Balance</u>
Budgetary basis	\$ 45,724,484	\$ 45,749,617	\$ 25,133	\$ -
"On-behalf" payments - State Teachers' Retirement Fund	4,624,027	4,624,027	-	-
Changes in encumbrances	-	(1,577)	(25,133)	(23,556)
Noncash financing sources not recognized for budgetary purposes relating to the current year bond refunding	-	(124,060)	(124,060)	-
GAAP basis	<u>\$ 50,348,511</u>	<u>\$ 50,248,007</u>	<u>\$ (124,060)</u>	<u>\$ (23,556)</u>

**NOTE 3 - CASH DEPOSITS AND INVESTMENTS**

**Cash Deposits – Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the District will not be able to recover its cash deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District limits its exposure to custodial credit risk through a formal written policy that requires, among other things, that the District monitor the financial condition of its financial institutions on a quarterly basis. As of June 30, 2017, \$5,453,938 of the District's bank balance of \$5,715,430 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 4,908,544
Uninsured and collateralized with securities held by the pledging bank's trust department or agent but not in the District's name	545,394
	<u>\$ 5,453,938</u>

All of the District's cash deposits were in qualified public institutions as defined by Connecticut state statute. Under this statute, any bank holding public deposits must at all times maintain, segregated from its other assets, eligible collateral in an amount equal to a certain percentage of its public deposits. The applicable percentage is determined based on the bank's risk-based capital ratio. The amount of public deposits is determined based on either the public deposits reported on the most recent quarterly call report, or the average of the public deposits reported on the four most recent quarterly call reports, whichever is greater. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 3 - CASH DEPOSITS AND INVESTMENTS (Continued)**

**Cash Deposits – Custodial Credit Risk (Continued)**

A reconciliation of the District's cash deposits as of June 30, 2017 is as follows:

Government-wide statement of net position:	
Cash and cash equivalents	\$ 7,021,025
Less: cash equivalents considered investments for disclosure purposes	<u>(1,976,914)</u>
	5,044,111
Statement of fiduciary net position:	
Cash and cash equivalents	638,382
Less: cash equivalents considered investments for disclosure purposes	<u>(255,151)</u>
	383,231
	<u>\$ 5,427,342</u>

**Investments**

A reconciliation of the District's investments as of June 30, 2017 is as follows:

Government-wide statement of net position:	
Investments	\$ -
Add: cash equivalents considered investments for disclosure purposes	<u>1,976,914</u>
	1,976,914
Statement of fiduciary net position:	
Investments	13,291,945
Add: cash equivalents considered investments for disclosure purposes	<u>255,151</u>
	13,547,096
	<u>\$ 15,524,010</u>

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

**NOTE 3 - CASH DEPOSITS AND INVESTMENTS (Continued)**

**Investments (Continued)**

As of June 30, 2017, the District's investments consisted of the following:

Investment type	Valuation Basis	Credit Rating	Value	Investment Maturities (In Years) Less Than 1
<b>Debt Securities:</b>				
Government-wide statement of net position:				
Short-term Investment Fund (STIF)	Net asset value	AAA	\$ 1,976,914	\$ 1,976,914
Statement of fiduciary net position:				
Short-term Investment Fund (STIF)	Net asset value	AAA	147,537	147,537
Money market mutual funds	Net asset value	Unrated	107,614	107,614
			<u>2,232,065</u>	<u>\$ 2,232,065</u>
<b>Other investments:</b>				
Statement of fiduciary net position:				
Mutual funds	Fair Value		13,291,945	
<b>Total</b>			<u>\$ 15,524,010</u>	

Because investments in the Short-term Investment Fund and the money market mutual funds have weighted average maturities of less than 90 days, they have been presented as investments with maturities of less than one year.

**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**

Connecticut state statutes permit the District to invest in: (1) obligations of the United States, including its instrumentalities and agencies; (2) in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; (3) in 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; (4) or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of pension funds do not specify permitted investments.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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Therefore, the investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

**NOTE 3 - CASH DEPOSITS AND INVESTMENTS (Continued)**

**Investments (Continued)**

**Custodial Credit Risk**

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, 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's investments are not exposed to custodial credit risk because they are either not evidenced by securities that exist in physical or book entry form or they are held by a reputable custodian in the name of the District.

**Concentrations of Credit Risk**

The District places no limit on the amount of investment in any one issuer. The District's investments were not exposed to concentrations of credit risk as of June 30, 2017. As of June 30, 2017, 100% of the District's governmental activities investments are invested in the Short-term Investment Fund. As of June 30, 2017, more than 10% of the District's fiduciary investments are invested in the following:

				% of Fiduciary Investments
Issuer	Investment	Value		
Wells Fargo	Vanguard Total Bond Market Index Fund Admiral Shares	\$ 4,112,985		30%
Wells Fargo	Vanguard DVLDP Markets Index Fund Admiral Shares	2,110,714		16%
Wells Fargo	Vanguard Growth Index Fund Admiral Shares	1,615,418		12%
Wells Fargo	Vanguard Value Index Fund Admiral Shares	1,590,655		12%
Wells Fargo	Vanguard 500 Index Fund Admiral Shares	1,661,461		12%

Pension trust fund investments may be invested in fixed income, equities and cash. The target asset allocation is 35% fixed income and 65% equities. There are also minimum and maximum target levels defined. Investment managers are employed to manage the assets allocated to them. The Board of Education, as trustee of the pension plan, is responsible for overall investment policy. Any change in investment manager or individual security purchase must have their approval.

The Other Post-Employment Benefits Trust Fund (OPEB) investments may be invested in fixed income, equities and cash. The target asset allocation is 40% fixed income and 60% equities. There are also minimum and maximum target levels defined. Professional money managers are employed to manage the assets allocated to them. The Board of Education, as trustee of the OPEB trust, is responsible for overall investment policy. Any change in investment manager or individual security purchase must have their approval.

The Sick and Severance Benefits Trust Fund may be invested in fixed income, equities and cash. The target asset allocation is 50% fixed income and 50% equities. There are also minimum and maximum target levels defined. Professional money managers are employed to manage the assets allocated to them. The Board of Education, as trustee of the sick and severance trust, is responsible for overall investment policy. Any change in investment manager or individual security purchase must have their approval.



**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 4 - FAIR VALUE MEASUREMENTS**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, as of the measurement date. Authoritative guidance establishes a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (also referred to as observable inputs). The District classifies its assets and liabilities measured at fair value into Level 1 (securities valued using quoted prices from active markets for identical assets), Level 2 (securities not traded on an active market for which market inputs are observable, either directly or indirectly, and Level 3 (securities valued based on unobservable inputs). Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The District's financial assets that are accounted for at fair value on a recurring basis as of June 30, 2017, by level within the fair value hierarchy are presented in the table below.

<b>Financial Assets Measured at Fair Value</b>	<b>Prices in Active Market (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>	<b>Total</b>
Mutual funds	<u>\$ 13,291,945</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,291,945</u>

**NOTE 5 - CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2017 consisted of the following:

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental Activities</b>					
Capital assets, not being depreciated:					
Land	\$ 4,186,566	\$ -	\$ -	\$ -	\$ 4,186,566
Construction in progress	64,044	469,714	-	(64,044)	469,714
Total capital assets, not being depreciated	4,250,610	469,714	-	(64,044)	4,656,280
Capital assets, being depreciated:					
Buildings and improvements	114,504,866	727,767	711,442	64,044	114,585,235
Improvements other than buildings	478,997	-	144,801	-	334,196
Furniture and equipment	1,062,976	29,975	5,191	-	1,087,760
Total capital assets, being depreciated	116,046,839	757,742	861,434	64,044	116,007,191
Less accumulated depreciation and amortization for:					
Buildings and improvements	17,841,598	1,980,319	711,442	-	19,110,475
Improvements other than buildings	242,583	9,048	144,801	-	106,830
Furniture and equipment	372,465	116,161	5,191	-	483,435
Total accumulated depreciation and amortization	18,456,646	2,105,528	861,434	-	19,700,740
Total capital assets, being depreciated, net	97,590,193	(1,347,786)	-	64,044	96,306,451
Governmental activities capital assets, net	\$ 101,840,803	\$ (878,072)	\$ -	\$ -	\$ 100,962,731

**NOTE 5 - CAPITAL ASSETS (Continued)**

Depreciation and amortization expense was charged to functions of the District as follows:

Governmental Activities:	
General instruction	\$ 19,871
Support services:	
Support services - students	29,203
General administration	1,164
Buildings and grounds	2,055,290
Total depreciation and amortization expense	\$ 2,105,528

**NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivable and payable balances at June 30, 2017 are as follows:

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
JUNE 30, 2017

Receivable Fund	Payable Fund	Amount
<b>Governmental Funds</b>		
General Fund	Nonmajor Governmental Funds	\$ 102,118
	Reserve Fund for Capital and Nonrecurring	1,185
		<u>103,303</u>
Nonmajor Governmental Funds	General Fund	48
	Nonmajor Governmental Funds	15,104
		<u>15,152</u>
		<u>\$ 118,455</u>

The above balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

**NOTE 7 - LONG-TERM OBLIGATIONS**

The following is a summary of changes in long-term obligations for the year ended June 30, 2017:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable:					
General obligation bonds	\$ 33,370,000	\$ 14,090,000	\$ 15,215,000	\$ 32,245,000	\$ 3,585,000
Unamortized amounts:					
Premiums	1,836,071	190,195	1,351,817	674,449	-
Total bonds payable	35,206,071	14,280,195	16,566,817	32,919,449	3,585,000
Other liabilities:					
Capital leases	177,129	-	59,211	117,918	61,429
Net sick and severance liability	305,232	-	305,232	-	-
Vacation accrual payable	11,728	11,082	3,748	19,062	2,000
Net pension liability	5,182,650	-	329,573	4,853,077	-
Net OPEB obligation	1,501,119	144,759	-	1,645,878	-
	<u>\$ 42,383,929</u>	<u>\$ 14,436,036</u>	<u>\$ 17,264,581</u>	<u>\$ 39,555,384</u>	<u>\$ 3,648,429</u>

Bonds payable and other liabilities have typically been liquidated in the General Fund.

**General Obligation Bonds**

A summary of general obligation bonds outstanding at June 30, 2017 is as follows:

Purpose of Bonds	Final Maturity Dates	Interest Rates	Amount Outstanding
<b>Governmental Activities</b>			
<b>Bonds Payable</b>			
General obligation refunding bonds issued 5/13/09, original amount of \$27,480,000	2024	2.00% - 5.00%	\$ 2,695,000
General obligation refunding bonds issued 3/23/10, original amount of \$8,695,000	2025	3.00% - 4.00%	7,340,000
General obligation refunding bonds issued 11/3/10, original amount of \$8,245,000	2026	2.00% - 4.00%	4,730,000
General obligation bonds issued 7/26/12, original amount of \$4,010,000	2023	2.00% - 4.00%	3,390,000
General obligation bonds issued 1/5/17, original amount of \$1,960,000	2027	4.00%	1,960,000
General obligation refunding bonds issued 1/5/17, original amount of \$12,130,000	2025	1.37% - 2.95%	12,130,000
			<u>\$ 32,245,000</u>

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

**NOTE 7 - LONG-TERM OBLIGATIONS (Continued)**

**General Obligation Bonds (Continued)**

Annual debt service requirements to maturity at June 30, 2017 are as follows:

Year ending June 30:	General Obligation Bonds		
	Principal	Interest	Total
2018	\$ 3,585,000	\$ 897,694	\$ 4,482,694
2019	3,850,000	799,893	4,649,893
2020	3,845,000	718,572	4,563,572
2021	3,850,000	616,834	4,466,834
2022	3,815,000	503,130	4,318,130
2023-2027	13,300,000	912,921	14,212,921
	<u>\$ 32,245,000</u>	<u>\$ 4,449,044</u>	<u>\$ 36,694,044</u>

**School Bond Reimbursements**

The State of Connecticut reimburses the District for eligible school bond principal and interest costs. The amount of principal reimbursement for the year ended June 30, 2017 was \$6,491. A final reimbursement of principal in the amount of \$6,363 is expected to be received during the year ending June 30, 2018.

**Legal Debt Limit**

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the District shall not exceed four and a half times base receipts, as defined in the Statute, or \$200,119,239 as of June 30, 2017. The District did not exceed the statutory debt limitation as of June 30, 2017.

**Advance Refunding**

During January 2017, the District issued \$12,130,000 in general obligation refunding bonds with interest rates ranging 1.375% and 2.95%. The District issued the bonds to advance refund \$11,755,000 in general obligation bonds outstanding with interest rates ranging from 4.0% and 5.0%. The District used the net proceeds to purchase U.S. Government securities. These securities were deposited into an irrevocable trust to provide for all future debt service on the refunded portion of the bonds. As a result, the refunded bonds are considered defeased and the District has removed the liability from its financial statements. The District advance refunded the bonds to reduce its total debt service payments over the next 8 years by \$573,881 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new bonds) of \$514,633.

The difference between the reacquisition price (the amount placed in escrow) and the net carrying amount of the refunded bonds resulted in a deferred charge on refunding in the amount of \$53,269. This amount has been presented as a deferred outflow of resources in the government-wide financial statements and is being amortized to interest expense using the effective-interest method over the life of the new bonds.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

**NOTE 7 - LONG-TERM OBLIGATIONS (Continued)**

**Capital Leases**

A summary of assets acquired through capital leases in as follows as of June 30, 2017:

	<b>Governmental Activities</b>
Equipment	\$ 302,152
Less: accumulated amortization	138,188
	<u>\$ 163,964</u>

Amortization expense relative to leased property under capital leases totaled \$43,786 for the year ended June 30, 2017 and is included in depreciation and amortization expense disclosed in Note 5.

Future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2017 are as follows:

	<b>Governmental Activities</b>
Year Ending June 30:	
2018	\$ 65,851
2019	58,202
Total minimum lease payments	124,053
Less: amount representing interest	6,135
Present value of minimum lease payments	<u>\$ 117,918</u>

**Sick and Severance Benefits**

The District provides sick and severance payments to teachers and department coordinators upon retirement, death or severe illness and to administrators upon retirement or the elimination of a position. To qualify for benefits, the employee must achieve normal retirement with 15 consecutive years of service. Benefits are also provided to those who qualify for early retirement: age 55 with 20 years of service for early retirement, 25 years of service, or age 60 with 10 years of service. The District funds the severance cost for the 72 eligible participants. All benefit amounts were frozen as of June 30, 1994.

In connection with the sick and severance benefits payable, the District has created a trust fund to accumulate resources for future projected payments. Current year sick and severance payments made to retirees totaled \$197,370 for the year ended June 30, 2017 and were paid from the General Fund budget. The components of the District's net sick and severance liability as of June 30, 2017, were as follows:

Total sick and severance liability	\$ 743,095
Assets held in Trust	799,196
District's net sick and severance asset	<u>\$ (56,101)</u>

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 7 - LONG-TERM OBLIGATIONS (Continued)**

**Sick and Severance Benefits (Continued)**

The total sick and severance benefits liability for the District was determined by an actuarial valuation as of July 1, 2017. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Projections of benefits include the types of benefits in force at the valuation date. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Valuation date	July 1, 2017
Actuarial cost method	Entry Age Normal Actuarial Cost Method
Amortization method	Level Dollar
Remaining amortization period	
Teachers and Administrators	5 years, closed
Other participants	10 years, closed
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	5.50%
Mortality	RP-2014 Adjusted to 2006 Total Dataset Mortality Table projected to the valuation date with Scale MP-2017.
Sick Time Accrual	Maximum number of sick days per year
Salary increases	Varies from 2.6% to 7.6%
Retirement age	Ranges from 55 to 70

**NOTE 8 - PENSION PLANS**

**Defined Benefit Plan**

**Plan Description**

*Plan administration* - The District maintains a single-employer, defined benefit pension plan: the Amity Regional School District No. 5 Pension Plan (the "Retirement Plan"). The Retirement Plan covers substantially all District employees other than teachers. The Retirement Plan is administered by the Board of Education.

*Plan membership* - Membership of the Retirement Plan consisted of the following at July 1, 2016, the date of the most recent actuarial valuation:

Retirees and beneficiaries receiving benefits	46
Terminated employees entitled to benefits but not yet receiving them	4
Active plan members	64
	<u>114</u>

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 8 - PENSION PLANS (Continued)**

**Defined Benefit Plan (Continued)**

**Plan Description (Continued)**

*Benefits provided* - The Retirement Plan provides for retirement, death and disability benefits for all eligible employees. The Retirement Plan covers substantially all noncertified District employees. The monthly retirement benefit is calculated at 2.5% of the average of the annual salaries during the highest five consecutive calendar years of employment multiplied by years of service. Plan members are eligible to retire at age 65 with 10 years of service or are eligible for early retirement at age 55 with 10 years of service. Participants are 100% vested after 10 years of continuous service if their contributions remain in the fund. Death benefits include the accrued benefit earned for participants who were eligible for normal retirement on or prior to the date of death, or participant contributions multiplied by the actuarial conversion factor for those participants who were not eligible for normal retirement benefits on or prior to the date of death. Disability retirement benefits, which include the accrued benefit as of the date of disability, are available for participants who are 40 years in age and have completed 5 years of service.

*Contributions* - The contribution requirements of plan members and the District are established and may be amended by the Board of Education. The District's funding policy provides for periodic employer contributions at rates that, when expressed as a percentage of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The contribution rates for normal costs for all plans were actuarially determined.

For the year ended June 30, 2017, employer contributions to the Retirement Plan were \$862,404 and represented approximately 25.60% of covered payroll. District employees are required to contribute 2.25% of their earnings to the Retirement Plan.

**Summary of Significant Accounting Policies**

*Investments* - Investments are measured by the District at fair value (generally based on quoted market prices), except for investments in certain external investments pools as described below.

Fair value of other securities is determined by the most recent bid and asked prices as obtained from dealers that make markets in such securities. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the District, with the assistance of a valuation service. Securities traded on national exchanges are valued at the last reported sales price. Investment income is recognized when earned and gains and losses on sales or exchanges are recognized on the transaction date. Administrative costs are funded through investment earnings of the Retirement Plan.

*Investment policy* - The Retirement Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board of Education. The Retirement Plan's trust fund investments may be invested in fixed income, equities and cash. The target asset allocation is 35% fixed income and 65% equities. There are also minimum and maximum target levels defined.



**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

**NOTE 8 - PENSION PLANS (Continued)**

**Defined Benefit Plan (Continued)**

**Summary of Significant Accounting Policies (Continued)**

*Concentrations* - The Retirement Plan's investments consist solely of investment in various mutual funds and are therefore not exposed to concentrations of credit risk, as these investments are considered to be diversified by nature.

*Rate of return* - For the year ended June 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.46%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net Pension Liability of the District**

The components of the net pension liability of the District's Plan at June 30, 2017, were as follows:

Total pension liability	\$ 15,440,443
Plan fiduciary net position	<u>10,587,366</u>
District's net pension liability	<u><u>\$ 4,853,077</u></u>
Plan fiduciary net position as a percentage of the total pension liability	68.57%

The components of the change in the net pension liability of the District's Plan for the year ended June 30, 2017, were as follows:

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balance as of June 30, 2016	\$ 14,405,625	\$ 9,222,975	\$ 5,182,650
Changes for the year:			
Service cost	542,547	-	542,547
Interest	1,096,406	-	1,096,406
Difference between expected and actual experience	(143,763)	-	(143,763)
Change of assumptions	210,599	-	210,599
Contributions - employer	-	862,404	(862,404)
Contributions - member	-	81,533	(81,533)
Net investment income	-	1,091,425	(1,091,425)
Benefit payments, including refunds	(670,971)	(670,971)	-
Net changes	<u>1,034,818</u>	<u>1,364,391</u>	<u>(329,573)</u>
Balance as of June 30, 2017	<u><u>\$ 15,440,443</u></u>	<u><u>\$ 10,587,366</u></u>	<u><u>\$ 4,853,077</u></u>

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

**NOTE 8 - PENSION PLANS (Continued)**

**Defined Benefit Plan (Continued)**

**Net Pension Liability of the District (Continued)**

*Actuarial assumptions* - The total pension liability for the District was determined by an actuarial valuation as of July 1, 2016 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	2.60% - 7.60%
Investment rate of return	7.00%
Discount rate	7.00%

The long-term expected rate of return on pension plan investments was determined using a building-block method 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-term Expected Real Rate of Return *</b>	<b>Weighting</b>
US Large Cap	37.50%	4.65%	1.74%
US Mid/Small Cap	12.50%	5.50%	0.69%
Developed International Equities	15.00%	5.50%	0.83%
Intermediate Corporate Bonds	17.50%	2.25%	0.39%
Intermediate Government Bonds	17.50%	1.65%	0.29%

\* Long-term returns are provided by Fiduciary Investment Advisors. The returns are geometric means.

*Discount rate* - The discount rate used to measure the total District pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that the District contributes at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the District'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.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

**NOTE 8 - PENSION PLANS (Continued)**

**Defined Benefit Plan (Continued)**

**Net Pension Liability of the District (Continued)**

*Sensitivity of the net pension liability to changes in the discount rate* - The following presents the net pension liability of the District, calculated using the discount rate of 7.00% as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1- percentage point higher (8.00%) than the current rate:

	<b>Current Discount Rate (7.00%)</b>	<b>1% Decrease (6.00%)</b>	<b>1% Increase (8.00%)</b>
Net pension liability as of June 30, 2017	\$ 4,853,077	\$ 6,523,738	\$ 3,424,163

**Pension Expense and Deferred Outflows/Inflows of Resources**

For the year ended June 30, 2017, the District recognized pension expense of \$1,187,713. At June 30, 2017, the District reported deferred outflows and inflows of resources related to the plan from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 13,071	\$ (224,418)
Changes of assumptions	942,290	-
Net difference between projected and actual earnings on pension plan investments	125,359	-
Total	<u>\$ 1,080,720</u>	<u>\$ (224,418)</u>

Amounts reported as deferred inflows of resources related to the plan will be recognized as a component of pension expense in future years as follows:

Year ended June 30,	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
2018	\$ 407,235	\$ (75,169)
2019	407,233	(75,169)
2020	229,675	(47,673)
2021	36,577	(26,407)
2022	-	-
	<u>\$ 1,080,720</u>	<u>\$ (224,418)</u>

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 8 - PENSION PLANS (Continued)**

**Connecticut State Teachers' Retirement System**

The faculty and professional personnel of the District participate in the Teachers' Retirement System ("TRS"), which is a cost-sharing multiple-employer defined benefit pension plan established under Chapter 167a of the Connecticut General Statutes. The TRS is administered by the Connecticut State Teachers' Retirement Board (the "Board") and is included as a fiduciary pension trust fund in the State of Connecticut's basic financial statements.

Plan benefits, cost-of-living allowances, required contributions of plan members and the State, and other plan provisions are described in Sections 10-183b to 10-183ss of the Connecticut General Statutes. The plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to plan members and their beneficiaries.

The contribution requirements of plan members and the State are established and may be amended by the State legislature. In accordance with Section 10-183z of the General Statutes, the District does not and is not legally responsible to contribute to the plan as a special funding situation exists that requires the State to contribute 100% of employer's contributions on-behalf of its participating municipalities at an actuarially determined rate. Plan members are currently required to contribute 7.25% of their annual earnings to the plan. After five years of service, teachers are fully vested in their own contributions. After ten years of service, teachers are fully vested in the monthly pension benefit which is payable at the age of sixty. The District has recognized on-behalf payments of \$4,624,027 made by the State of Connecticut into the plan as intergovernmental revenues, and related expenditures of the General Fund in the accompanying statement of revenues, expenditures and changes in fund balances of the governmental funds.

Administrative costs of the plan are funded by the State.

The total estimated net pension liability of the TRS as of June 30, 2016 was \$14.245 billion, the most recent available reporting provided by the Board. The portion that was associated with the District totaled approximately \$67.52 million or approximately 0.474% of the total estimated net pension liability. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The portion of the net pension liability associated with the District was based on a projection of the long-term share of contributions to the plan related to the District relative to the projected contributions of all participating employers, actuarially determined. The portion of the pension expense attributed to the District totaled approximately \$7.363 million for the year ended June 30, 2017.

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods in the measurement:

Inflation	2.75%
Salary increases	3.25% - 6.50%, including inflation
Investment rate of return	8.0%, net of pension plan investment expense, including inflation

For healthy retirees and beneficiaries, the RP-2000 Combined Mortality Table projected forward 19 years using scale AA, with a two-year setback for males and females.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2017

**NOTE 8 - PENSION PLANS (Continued)**

**Connecticut State Teachers' Retirement System (Continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method 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 allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-term Expected Real Rate of Return</b>
Large Cap U.S Equities	21.0%	5.80%
Developed Non-U.S. Equities	18.0%	6.60%
Fixed Income (Core)	7.0%	1.30%
Private Equity	11.0%	7.60%
Emerging Markets (Non-U.S.)	9.0%	8.30%
Alternative investments	8.0%	4.10%
Inflation Linked Bonds	3.0%	1.00%
Cash	6.0%	0.40%
Real Estate	7.0%	5.10%
Emerging Market Bonds	5.0%	3.70%
High Yield Bonds	5.0%	3.90%

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 State contributions will be made at the actuarially determined rates in 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.

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:

	<b>Current Rate (8.00%)</b>	<b>1% Decrease (7.00%)</b>	<b>1% Increase (9.00%)</b>
District proportionate share of the net pension liability	\$67.5 million	\$83.3 million	\$54.2 million

Detailed information about the plan's fiduciary net position is included in the State of Connecticut's basic financial statements.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 9 - OTHER POST EMPLOYMENT BENEFITS (OPEB)**

**Plan Description**

The District administers a single-employer post-retirement healthcare plan, the Amity Regional School District No. 5 Other Post-Employment Benefits (OPEB) Plan (the "Plan"), to provide medical and dental benefits for eligible retirees and their spouses. The Plan is considered to be part of the District's financial reporting entity and is included in the District's financial reports as an Other Post-Employment Benefits Trust Fund. The Plan does not issue stand alone financial reports.

**Plan Membership**

As of July 1, 2016, the date of the most recent actuarial valuation, membership data was as follows:

Active plan members	29
Retirees and beneficiaries receiving benefits	328
	<u>357</u>

**Benefit Provisions**

The Plan provides for medical and dental benefits for all eligible retirees and their spouses. The Plan covers substantially all District employees. Benefits and contributions are established by contract and may be amended by union negotiations. Administration costs are financed from investment earnings.

**Contributions**

Contribution requirements of the District are established in the Plan document and may be amended by the District. For the year ended June 30, 2017, the District contributed \$282,793. Of this amount, \$157,272 was contributed directly to the OPEB Trust. The remaining \$125,521 was contributed to the internal service fund to cover retiree claims in excess of premiums received.

**Summary of Significant Accounting Policies**

The Plan is accounted for using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. District contributions are recognized when due and when the District has made a formal commitment to provide the contributions. Benefits and refunds are recognized when they are due and payable in accordance with terms of the Plan.

Investments are recorded at fair value. Short-term investments are reported at cost, which approximates fair value. Fair value of other securities is determined by the most recent bid and asked prices as obtained from dealers that make markets in such securities. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the District, with the assistance of a valuation service. Securities traded on national exchanges are valued at the last reported sales price. Investment income is recognized when earned and gains and losses on sales or exchanges are recognized on the transaction date.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

**NOTE 9 - OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)**

**Concentrations**

The Plan's investments consist solely of investment in various mutual funds and are therefore not exposed to concentrations of credit risk, as these investments are considered to be diversified by nature.

**Annual OPEB Cost and Net OPEB Obligation**

The District's annual OPEB cost (expense) is calculated based on the annual required contribution ("ARC"), an amount actuarially determined. 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 over a period not to exceed thirty 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.

Annual required contribution	\$ 442,313
Interest on net OPEB obligation	112,584
Adjustment to annual required contribution	<u>(127,345)</u>
Annual OPEB cost (expense)	427,552
Contributions made	<u>(282,793)</u>
Increase in net OPEB obligation	144,759
Net OPEB obligation, beginning of year	<u>1,501,119</u>
Net OPEB obligation, end of year	<u><u>\$ 1,645,878</u></u>

**Three-Year Trend Information**

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the past three years is as follows:

Year Ended June 30	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2015	\$ 542,149	\$ 365,765	67.5%	\$ (1,269,696)
2016	434,280	202,857	46.7%	(1,501,119)
2017	427,552	282,793	66.1%	(1,645,878)

**Funded Status and Funding Progress**

The funded status of the Plan as of July 1, 2016, the date of the most recent actuarial valuation, was as follows:

Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - Entry Age Normal (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
\$ 1,692,767	\$ 4,195,302	\$ 2,502,535	40.3%	\$ 24,809,512	10.1%

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 9 - OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)**

**Funded Status and Funding Progress (Continued)**

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of events in 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 District are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future. The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Net OPEB Liability**

The components of the District's net OPEB liability related to its OPEB Plan as of June 30, 2017, was as follows:

Total OPEB liability	\$ 4,389,738
Plan fiduciary net position	<u>2,012,998</u>
District's net OPEB liability	<u><u>\$ 2,376,740</u></u>

Plan fiduciary net position as a percentage of the total OPEB liability	45.86%
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**Actuarial Methods and Assumptions**

Projections of benefits are based on the substantive plan (the plan as understood by the District and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the District and the plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the District and plan members in the future. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The total OPEB liability was determined by an actuarial valuation date as of July 1, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.00%
Salary increases	2.60% - 7.60%
Healthcare cost trend rate:	
Initial	8.10%
Ultimate	4.60%

Mortality rates were based on the RP-2014 adjusted to 2006 Mortality Table projected to date with Scale MP-2016.



**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

**NOTE 9 - OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)**

**Actuarial Methods and Assumptions (Continued)**

The long-term expected rate of returns on OPEB Plan investments were determined using a building-block method 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. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB Plan's target asset allocation as of June 30, 2017 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return *</b>	<b>Weighting</b>
Core Fixed Income	40.00%	2.20%	0.88%
U.S. Large Cap Equities	30.00%	5.55%	1.67%
U.S. Small Cap Equities	10.00%	5.85%	0.59%
Developed Foreign Equities	20.00%	5.85%	1.17%

*Discount rate* - The discount rate used to measure the total OPEB liability was 7.0%. The projection of cash flows used to determine the discount rates assumed that plan member contributions will be made at the current contribution rates and that the District's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the OPEB 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 rates of return on the OPEB Plan's investments were applied to all periods of projected benefit payments to determine the OPEB Plan's total OPEB liability.

*Sensitivity of the net OPEB asset to changes in the discount rate* - The following presents the District's net OPEB asset for the OPEB Plan, calculated using the discount rate disclosed above, as well as what the District's net OPEB liability would be for the OPEB Plan if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<b>Discount Rates</b>		
	<b>Current (7.00%)</b>	<b>1% Decrease (6.00%)</b>	<b>1% Increase (8.00%)</b>
Net OPEB liability as of June 30, 2017	\$ 2,376,740	\$ 2,865,215	\$ 1,956,812

*Sensitivity of the net OPEB asset to changes in the healthcare cost trend rates* - The following presents the District's net OPEB asset for the OPEB Plan, calculated using the discount rate disclosed above, as well as what the District's net OPEB liability would be for the OPEB Plan if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<b>Healthcare Cost Trend Rates</b>		
	<b>Current</b>	<b>1% Decrease</b>	<b>1% Increase</b>
Net OPEB liability as of June 30, 2017	\$ 2,376,740	\$ 1,876,650	\$ 2,970,149

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 10 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, theft 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. During 2016, deductibles paid by the District were insignificant. Neither the District nor its insurers have settled any claims which exceeded the District's insurance coverage in any of the last three fiscal years. There have been no significant reductions in any insurance coverage from amounts in the prior year.

The District established an internal service fund to account for and finance the risk of loss for the District's employee medical benefits claims. The internal service fund provides coverage for all eligible full-time employees. The District retains the risk of loss under the plan. A third party processes the claims filed under the self-insured health plan, for which the District is charged an administrative fee. The District has purchased a stop-loss policy for total claims in any one year exceeding an aggregate of 120% of expected claims and for individual claims exceeding \$150,000 for combined hospital and major medical.

The District establishes claims liabilities based on estimates of claims that have been incurred but not reported at June 30, 2017. Claims liabilities are recorded 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 possible loss can be reasonably estimated. The amount of the claims accrual is based on the ultimate costs of settling the claims, which include past experience data, inflation and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claims accrual does not include other allocated or unallocated claims adjustment expenses.

A summary of claims activity for the years ended June 30, 2017 and June 30, 2016 are as follows:

<b>Year Ended June 30</b>	<b>Claims Payable, Beginning of Year</b>	<b>Claims and Changes in Estimates</b>	<b>Claims Paid</b>	<b>Claims Payable, End of Year</b>
2016	\$ 364,992	\$ 4,315,434	\$ 4,278,280	\$ 402,146
2017	402,146	3,746,518	3,807,521	341,143

**NOTE 11 - COMMITMENTS AND CONTINGENCIES**

There are several lawsuits pending against the District. The outcome and eventual liability to the District, if any, in these cases are not known at this time. The District's management, based upon consultation with legal counsel, estimates that potential claims against the District, not covered by insurance, resulting from such litigation would not materially affect the financial position of the District.

The District has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, District management believes such disallowances, if any, will not be material.

As of June 30, 2017, the District has recorded \$276,509 in encumbrances. Such encumbrances represent legal commitments for the purchase of goods or services and have been included in assigned fund balance within the balance sheet of the General Fund.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 12 - RECENTLY ISSUED ACCOUNTING STANDARDS**

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. This statement establishes new accounting and financial reporting requirements for OPEB plans and replaces the requirements of GASB Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended*, and GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB*. The requirements of this statement are effective for the District's reporting period beginning July 1, 2017. The District has not yet determined the impact that this statement will have on its financial statements.

In March 2016, the GASB issued Statement No. 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*. This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this statement are effective for the District's reporting period beginning July 1, 2017. The District does not expect this statement to have a material effect on its financial statements.

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations. (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement which (1) establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs, (2) requires the measurement of an ARO to be based on the best estimate of the current value of outlays expected to be incurred, and (3) requires the current value of a government's AROs to be adjusted for the effects of general inflation or deflation at least annually. The requirements of this statement are effective for the District's reporting period beginning July 1, 2019. The District does not expect this statement to have a material effect on its financial statements.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this statement are effective for the District's reporting period beginning July 1, 2019. The District has not yet determined the impact that this statement might have on its financial statements.

In March 2017, the GASB issued Statement No. 85, *Omnibus*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). The requirements of this statement are effective for the District's reporting period beginning July 1, 2017. The District does not expect this statement to have a material effect on its financial statements.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2017**

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**NOTE 12 - RECENTLY ISSUED ACCOUNTING STANDARDS (Continued)**

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this statement are effective for the District's reporting period beginning July 1, 2017. The District does not expect this statement to have a material effect on its financial statements.

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for the District's reporting period beginning July 1, 2020. The District has not yet determined the impact that this statement might have on its financial statements.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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Final Draft for Internal Use Only 12-06-2017

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY - UNAUDITED**  
**AMITY REGIONAL SCHOOL DISTRICT NO. 5 PENSION PLAN**  
**LAST FOUR FISCAL YEARS**

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Total pension liability</b>				
Service cost	\$ 542,547	\$ 493,768	\$ 479,386	\$ 408,199
Interest	1,096,406	988,845	930,362	882,103
Differences between expected and actual experience	(143,763)	19,949	(247,484)	-
Changes of assumptions	210,599	529,757	962,070	-
Benefit payments, including refunds	(670,971)	(623,779)	(677,103)	(703,532)
Net change in total pension liability	1,034,818	1,408,540	1,447,231	586,770
Total pension liability - beginning	14,405,625	12,997,085	11,549,854	10,963,084
Total pension liability - ending	15,440,443	14,405,625	12,997,085	11,549,854
<b>Plan fiduciary net position</b>				
Contributions - employer	862,404	772,191	738,934	707,554
Contributions - members	81,533	80,951	77,564	75,449
Net investment income	1,099,641	176,783	281,561	1,271,801
Benefit payments, including refunds	(670,971)	(623,779)	(677,103)	(703,532)
Administrative expense	(8,216)	-	-	(6,644)
Other	-	196	129	94
Net change in plan fiduciary net position	1,364,391	406,342	421,085	1,344,722
Plan fiduciary net position - beginning	9,222,975	8,816,633	8,395,548	7,050,826
Plan fiduciary net position - ending	10,587,366	9,222,975	8,816,633	8,395,548
<b>District's net pension liability</b>	<b>\$ 4,853,077</b>	<b>\$ 5,182,650</b>	<b>\$ 4,180,452</b>	<b>\$ 3,154,306</b>
Plan fiduciary net position as a percentage of total pension liability	68.57%	64.02%	67.84%	72.69%
Covered employee payroll	\$ 3,368,174	\$ 3,473,851	\$ 3,264,904	\$ 3,183,014
District's net pension liability as a percentage of covered employee payroll	144.09%	149.19%	128.04%	99.10%

**NOTES TO THE SCHEDULE:**

The District began to report this schedule when it implemented GASB Statement No. 67 in fiscal year 2014.

*Benefit changes:* There were no changes in benefit terms that affected the measurement of the total pension liability.

*Changes in assumptions:*

Changes in the Investment Rate of Return:

2017	7.00%
2016	7.50%
Prior	8.00%

Changes to Mortality:

2017 - RP-2014 Adjusted to 2006 Total Dataset Mortality Table projected to the valuation date with Scale MP-2016.  
2017 - RP-2014 Adjusted to 2006 Disable Retiree Table projected to the valuation date with Scale MP-2016.  
Prior: RP-2014 Adjusted to 2006 Total Dataset Mortality Table projected to the valuation date with Scale MP-2015  
and RP-2014 Adjusted to 2006 Disables Retiree Table projected to the valuation date with Scale MP-2015.

See accompanying Independent Auditor's Report.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS - UNAUDITED**  
**AMITY REGIONAL SCHOOL DISTRICT NO. 5 PENSION PLAN**  
**LAST FOUR FISCAL YEARS**

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Actuarially determined contribution	\$ 862,402	\$ 772,191	\$ 738,934	\$ 707,554
Contributions in relation to the actuarially determined contribution	<u>862,404</u>	<u>772,191</u>	<u>738,934</u>	<u>707,554</u>
Contribution deficiency (excess)	<u>\$ (2)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 3,368,174	\$ 3,473,851	\$ 3,264,904	\$ 3,183,014
Contributions as a percentage of covered employee payroll	25.60%	22.23%	22.63%	22.23%
Annual money-weighted rate of return, net of investment expense	11.46%	1.96%	3.27%	17.61%

**NOTES TO THE SCHEDULE:**

The District began to report this schedule when it implemented GASB Statement No. 67 in fiscal year 2014.

Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	20 years
Asset valuation method	5 year smoothed market
Inflation	2.60%
Salary increases	Varies from 2.60% to 7.60%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation
Retirement age	Ranges from 55 to 70
Mortality	RP-2014 Adjusted to 2006 Total Dataset Mortality Table projected to the valuation date with Scale MP-2016.

*See accompanying Independent Auditor's Report.*

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE**  
**OF THE NET PENSION LIABILITY - UNAUDITED**  
**CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM**  
**LAST THREE FISCAL YEARS**  
(Dollar amounts in thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability attributed to the District	0.474%	0.471%	0.471%
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability attributed to the District	67,518	51,711	47,796
Total	<u>\$ 67,518</u>	<u>\$ 51,711</u>	<u>\$ 47,796</u>
District's covered payroll	\$ 18,928	\$ 17,014	\$ 18,490
District's proportionate share of the net pension liability as a percentage of its covered payroll	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	52.26%	59.50%	61.51%

**NOTES TO THE SCHEDULE:**

The District began to report this schedule when it implemented GASB Statement No. 68 in fiscal year 2015.

The total pension liability reported for each fiscal year is based on a measurement date as of the end of the prior fiscal year (i.e. the total pension liability reported for 2017 is based on a June 30, 2016 measurement date).

*Benefit changes:* There were no changes in benefit terms that affected the measurement of the total pension liability.

*Assumption changes:* Since the prior valuation in 2015, new assumptions were adopted. Specifically:

- Inflation assumption was reduced from 3.00% to 2.75%.
- Real rate of return assumption was reduced from 5.50% to 5.25%, which when combined with the inflation assumption change results in a decrease in the investment rate of return assumption from 8.50%
- The annual rate of wage increase assumption was reduced from 0.75% to 0.50%.
- The payroll growth assumption was reduced from 3.75% to 3.25%.
- Various demographic assumption changes utilizing the RPH-2014 mortality tables.

*See accompanying Independent Auditor's Report.*



**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**SCHEDULE OF FUNDING PROGRESS - UNAUDITED**  
**OTHER POST-EMPLOYMENT BENEFITS PLAN**  
**LAST SIX ACTUARIAL VALUATIONS**

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
July 1, 2011	\$ 946,280	\$ 7,737,783	\$ 6,791,503	12.2%	\$ 22,711,361	29.9%
July 1, 2012	1,056,607	6,924,869	5,868,262	15.3%	22,915,705	25.6%
July 1, 2013	1,597,534	6,849,476	5,251,942	23.3%	23,159,109	22.7%
July 1, 2014	1,281,788	5,197,822	3,916,034	24.7%	24,131,979	16.2%
July 1, 2015	1,526,998	5,215,411	3,688,413	29.3%	24,330,539	15.2%
July 1, 2016	1,692,767	4,195,302	2,502,535	40.3%	24,809,512	10.1%

**NOTES TO THE SCHEDULE:**

*Benefit changes:* There were no changes in benefit terms that affected the measurement of the actuarial accrued liability.

*Changes in assumptions:* In connection with the July 1, 2016 actuarial valuation, the discount rate was lowered from 7.5% to 7.0%. In addition, the cost method was changed from the Projected Unit Credit method to the Entry Age Normal method in accordance with the requirements of GASB Statement No. 74.

*Other information:* The AAL determined as of July 1, 2014 and 2016 decreased over the prior year actuarial valuation due to a higher than expected number of retirees dropping medical coverage and lower than expected per capita costs.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY - UNAUDITED**  
**OTHER POST-EMPLOYMENT BENEFITS PLAN**  
**LAST FISCAL YEAR**

	<b>2017</b>
<b>Total OPEB liability</b>	
Service cost	\$ 105,426
Interest	293,998
Differences between expected and actual experience	(1,788)
Changes of assumptions	-
Benefit payments, including refunds	(203,200)
Net change in total OPEB liability	194,436
Total OPEB liability - beginning	4,195,302
Total OPEB liability - ending	4,389,738
<b>Plan fiduciary net position</b>	
Contributions - employer	282,793
Contributions - active members	-
Contributions - retirees' subsidies	77,679
Net investment income	169,538
Benefit payments, including refunds	(203,200)
Administrative expense	-
Net change in plan fiduciary net position	326,810
Plan fiduciary net position - beginning	1,686,188
Plan fiduciary net position - ending	2,012,998
<b>District's net OPEB liability</b>	<b>\$ 2,376,740</b>
Plan fiduciary net position as a percentage of total OPEB liability	45.86%
Covered employee payroll	\$ 24,809,512
District's net OPEB liability as a percentage of covered employee payroll	9.58%

**NOTES TO THE SCHEDULE:**

The District began to report this schedule when it implemented GASB Statement No. 74 in fiscal year 2017.

*See accompanying Independent Auditor's Report.*

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS - UNAUDITED**  
**OTHER POST-EMPLOYMENT BENEFITS PLAN**  
**LAST FISCAL YEAR**

	<u><b>2017</b></u>
Actuarially determined contribution	\$ 442,313
Contributions in relation to the actuarially determined contribution	<u>282,793</u>
Contribution deficiency (excess)	<u><u>\$ 159,520</u></u>
Covered employee payroll	\$ 24,809,512
Contributions as a percentage of covered employee payroll	1.14%
Annual money-weighted rate of return, net of investment expense	10.05%

**NOTES TO THE SCHEDULE:**

The District began to report this schedule when it implemented GASB Statement No. 74 in fiscal year 2017.

Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	19 years (as of July 1, 2016)
Asset valuation method	5 year smoothed market
Inflation	2.60%
Investment rate of return	7.00%, net of plan investment expense, including inflation
Healthcare cost trend rates	8.10%, current 4.60%, final
Mortality	RP-2014 Adjusted to 2006 Mortality Table projected to date with Scale MP-2016.

*See accompanying Independent Auditor's Report.*

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**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

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Final Draft for Internal Use Only 12-06-2017

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**GENERAL FUND**

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Final Draft for Internal Use Only 12-06-2017

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL -**  
**BUDGETARY BASIS - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original	Final	Actual	
ASSESSMENTS TO MEMBER TOWNS				
Bethany	\$ 9,437,981	\$ 9,437,981	\$ 9,067,180	\$ (370,801)
Orange	22,561,538	22,561,538	21,675,138	(886,400)
Woodbridge	14,290,054	14,290,054	13,728,624	(561,430)
Total assessment to member towns	46,289,573	46,289,573	44,470,942	(1,818,631)
INTERGOVERNMENTAL				
Adult education	3,405	3,405	3,177	(228)
Transportation income	74,876	74,876	19,500	(55,376)
Special education	1,324,544	1,324,544	1,012,165	(312,379)
Building renovation	6,491	6,491	6,491	-
Health services	396	396	337	(59)
Total intergovernmental	1,409,712	1,409,712	1,041,670	(368,042)
CHARGES FOR SERVICES				
Parking income	30,000	30,000	30,109	109
Athletics	32,500	32,500	23,230	(9,270)
Tuition revenue	47,434	47,434	86,570	39,136
Total charges for services	109,934	109,934	139,909	29,975
INTEREST INCOME				
	2,000	2,000	16,565	14,565
OTHER REVENUES				
Rental income	3,500	3,500	19,987	16,487
Miscellaneous	20,980	20,980	35,411	14,431
Total other revenues	24,480	24,480	55,398	30,918
Total revenues	47,835,699	47,835,699	45,724,484	(2,111,215)
OTHER FINANCING SOURCES				
Cancellation of prior year encumbrances	-	-	25,133	25,133
Total other financing sources	-	-	25,133	25,133
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 47,835,699	\$ 47,835,699	\$ 45,749,617	\$ (2,086,082)

See accompanying Independent Auditor's Report.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -**  
**BUDGETARY BASIS - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Over (Under)</b>
	<b>Original</b>	<b>Final</b>		
<b>SALARIES</b>				
Certified	\$ 20,577,557	\$ 20,863,243	\$ 20,160,264	\$ (702,979)
Classified	4,390,379	4,453,689	4,297,927	(155,762)
Total salaries	<u>24,967,936</u>	<u>25,316,932</u>	<u>24,458,191</u>	<u>(858,741)</u>
<b>EMPLOYEE BENEFITS</b>				
Medicare	334,538	334,538	333,749	(789)
FICA	259,642	272,103	272,102	(1)
Workers' compensation	230,851	232,488	232,488	-
Medical and dental insurance	4,171,526	4,171,526	3,820,370	(351,156)
Life insurance	42,123	42,164	42,163	(1)
Disability insurance	8,790	9,276	9,276	-
Pension plan - classified	862,404	911,180	911,180	-
Retirement sick leave - certified	25,900	77,835	77,835	-
Retirement sick leave - classified	2,062	2,062	1,137	(925)
Severance pay - certified	33,100	118,398	118,398	-
Unemployment compensation	15,000	25,360	25,360	-
OPEB trust	157,272	157,272	157,272	-
Clothing allowance	-	2,000	1,233	(767)
Total employee benefits	<u>6,143,208</u>	<u>6,356,202</u>	<u>6,002,563</u>	<u>(353,639)</u>
<b>INSTRUCTION</b>				
Instructional program improvement	16,750	19,350	19,287	(63)
Instructional supplies	392,007	376,380	361,667	(14,713)
Text and digital resources	73,769	71,927	70,197	(1,730)
Library books & periodicals	22,257	19,223	18,970	(253)
Total instruction	<u>504,783</u>	<u>486,880</u>	<u>470,121</u>	<u>(16,759)</u>
<b>PUPIL TRANSPORT</b>				
Pupil transportation	2,957,249	2,726,119	2,684,146	(41,973)
Transportation supplies	109,740	109,740	87,411	(22,329)
Total pupil transport	<u>3,066,989</u>	<u>2,835,859</u>	<u>2,771,557</u>	<u>(64,302)</u>
<b>TUITION</b>	<u>3,757,143</u>	<u>3,360,022</u>	<u>3,235,656</u>	<u>(124,366)</u>
<b>PURCHASED SERVICES</b>				
Data processing	79,062	86,562	74,490	(12,072)
Other professional & technical services	1,075,935	1,146,246	959,300	(186,946)
Communications	114,924	135,908	134,313	(1,595)
Other purchased services	84,845	96,582	85,401	(11,181)
Total purchased services	<u>1,354,766</u>	<u>1,465,298</u>	<u>1,253,504</u>	<u>(211,794)</u>
<b>RENTAL AND OTHER SERVICES</b>				
Rentals - land, building, equipment	102,581	102,617	88,456	(14,161)
Other supplies	501,394	505,538	487,474	(18,064)
Total rental and other services	<u>603,975</u>	<u>608,155</u>	<u>575,930</u>	<u>(32,225)</u>

(Continued)

See accompanying Independent Auditor's Report.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -**  
**BUDGETARY BASIS - GENERAL FUND (Concluded)**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Budgeted Amounts</b>			<b>Variance With</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Final Budget</b>
				<b>Over (Under)</b>
<b>BUILDINGS AND GROUNDS</b>				
Repairs, maintenance and cleaning	\$ 714,645	\$ 717,530	\$ 703,831	\$ (13,699)
Maintenance and custodial supplies	212,565	209,914	201,900	(8,014)
Total buildings and grounds	927,210	927,444	905,731	(21,713)
<b>UTILITIES</b>				
Utilities, excluding heat	806,764	826,011	669,181	(156,830)
Oil and natural gas used for heating	130,206	130,472	100,745	(29,727)
Total utilities	936,970	956,483	769,926	(186,557)
<b>PROPERTY AND LIABILITY INSURANCE</b>	220,548	218,548	217,543	(1,005)
<b>TRAVEL AND MEMBERSHIPS</b>				
Staff travel	24,050	25,556	19,265	(6,291)
Travel - conferences	36,120	36,527	28,432	(8,095)
Dues and fees	98,628	96,488	88,594	(7,894)
Total travel and memberships	158,798	158,571	136,291	(22,280)
<b>CONTINGENCY</b>	150,000	101,426	-	(101,426)
<b>CAPITAL OUTLAYS</b>				
Equipment - new	42,128	48,559	47,837	(722)
Equipment - replacement	131,032	133,421	133,093	(328)
Improvements to sites	29,000	30,300	30,300	-
Improvements to buildings	132,000	122,386	32,161	(90,225)
Total capital outlays	334,160	334,666	243,391	(91,275)
<b>DEBT SERVICE</b>				
Principal	3,460,000	3,460,000	3,460,000	-
Interest	1,249,213	1,249,213	1,249,213	-
Total debt service	4,709,213	4,709,213	4,709,213	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 47,835,699</b>	<b>\$ 47,835,699</b>	<b>\$ 45,749,617</b>	<b>\$ (2,086,082)</b>

See accompanying Independent Auditor's Report.



**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**SCHEDULE OF DEBT LIMITATION**  
**CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Orange</u>	<u>Woodbridge</u>	<u>Bethany</u>	<u>Total</u>
Total cash collections for the year ended June 30, 2017:	<u>\$ 21,675,138</u>	<u>\$ 13,728,624</u>	<u>\$ 9,067,180</u>	<u>\$ 44,470,942</u>
				<u>District</u>
Debt limitation: 4-1/2 times base				<u>\$ 200,119,239</u>
Indebtedness: Bonds payable				32,245,000
Less: school building grants to be provided by the State of Connecticut				<u>(6,362)</u>
Net indebtedness				<u>32,251,362</u>
Debt limitation in excess of outstanding and authorized debt				<u>\$ 167,867,877</u>
Total capacity of borrowing (4-1/2 times base)				\$ 200,119,239
Total present indebtedness				<u>32,251,362</u>
Margin for additional borrowing				<u>\$ 167,867,877</u>

*See accompanying Independent Auditor's Report.*

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**NONMAJOR GOVERNMENTAL FUNDS**

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**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2017**

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Education Grants Fund	Continuing Education Fund	School Operating Fund	Cafeteria Fund	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 135,731	\$ 83,062	\$ 94,387	\$ 192,607	\$ 505,787
Grants and contracts receivables	1,179	-	-	10,961	12,140
Due from other funds	48	-	-	15,104	15,152
Inventories	-	-	-	19,316	19,316
Total assets	<u>\$ 136,958</u>	<u>\$ 83,062</u>	<u>\$ 94,387</u>	<u>\$ 237,988</u>	<u>\$ 552,395</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 18,110	\$ 3,439	\$ 513	\$ 124,530	\$ 146,592
Due to other funds	108,024	5,738	3,397	63	117,222
Unearned revenue	12,236	32,861	-	32,468	77,565
Total liabilities	<u>138,370</u>	<u>42,038</u>	<u>3,910</u>	<u>157,061</u>	<u>341,379</u>
<b>FUND BALANCES</b>					
Nonspendable - inventories	-	-	-	19,316	19,316
Committed to:					
Cafeteria operations	-	-	-	61,611	61,611
Other purposes	-	41,024	90,477	-	131,501
Unassigned	(1,412)	-	-	-	(1,412)
Total fund balances	<u>(1,412)</u>	<u>41,024</u>	<u>90,477</u>	<u>80,927</u>	<u>211,016</u>
Total liabilities and fund balances	<u>\$ 136,958</u>	<u>\$ 83,062</u>	<u>\$ 94,387</u>	<u>\$ 237,988</u>	<u>\$ 552,395</u>

See accompanying Independent Auditor's Report.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Education Grants Fund	Continuing Education Fund	School Operating Fund	Cafeteria Fund	
<b>REVENUES</b>					
Intergovernmental	\$ 611,958	\$ -	\$ -	\$ 135,044	\$ 747,002
Charges for services	-	45,702	69,928	698,830	814,460
Other	36,432	-	-	-	36,432
Total revenues	<u>648,390</u>	<u>45,702</u>	<u>69,928</u>	<u>833,874</u>	<u>1,597,894</u>
<b>EXPENDITURES</b>					
Current:					
General instruction	456,508	73,470	-	-	529,978
Support services:					
Support services - student	-	-	5,119	832,579	837,698
Improvement of instruction	121,240	-	-	-	121,240
General administration	70,654	-	39,466	-	110,120
Total expenditures	<u>648,402</u>	<u>73,470</u>	<u>44,585</u>	<u>832,579</u>	<u>1,599,036</u>
Net change in fund balance	(12)	(27,768)	25,343	1,295	(1,142)
Fund balances - beginning	<u>(1,400)</u>	<u>68,792</u>	<u>65,134</u>	<u>79,632</u>	<u>212,158</u>
Fund balances - ending	<u>\$ (1,412)</u>	<u>\$ 41,024</u>	<u>\$ 90,477</u>	<u>\$ 80,927</u>	<u>\$ 211,016</u>

See accompanying Independent Auditor's Report.

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**FIDUCIARY FUNDS**

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**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION - PENSION, OTHER**  
**POST-EMPLOYMENT BENEFIT AND SICK & SEVERANCE TRUST FUNDS**  
**JUNE 30, 2017**

	<b>Pension</b>	<b>Other</b>	<b>Sick &amp; Severance</b>	
	<b>Trust Fund</b>	<b>Post-Employment</b>	<b>Trust Fund</b>	<b>Total</b>
		<b>Benefits</b>		
		<b>Trust Fund</b>	<b>Trust Fund</b>	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 84,640	\$ 17,375	\$ 5,599	\$ 107,614
Investments - mutual funds	10,502,726	1,995,622	793,597	13,291,945
Total assets	10,587,366	2,012,997	799,196	13,399,559
<b>NET POSITION</b>				
Held in trust for pension benefits and other post-employment benefits	\$ 10,587,366	\$ 2,012,997	\$ 799,196	\$ 13,399,559

*See accompanying Independent Auditor's Report.*

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - PENSION, OTHER**  
**POST-EMPLOYMENT BENEFIT AND SICK & SEVERANCE TRUST FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Pension Trust</b>	<b>Other Post-Employment Benefits Trust</b>	<b>Sick &amp; Severance</b>	<b>Total</b>
	<b>Fund</b>	<b>Fund</b>	<b>Trust Fund</b>	
<b>ADDITIONS</b>				
Contributions:				
Employer contributions	\$ 862,404	\$ 157,272	\$ -	\$ 1,019,676
Employee contributions	81,533	-	-	81,533
Total contributions	943,937	157,272	-	1,101,209
Investment earnings:				
Interest and dividends	222,602	34,403	66,358	323,363
Net changes in the fair value of investments	877,039	146,132	-	1,023,171
Total investment earnings	1,099,641	180,535	66,358	1,346,534
Total additions	2,043,578	337,807	66,358	2,447,743
<b>DEDUCTIONS</b>				
Benefit payments	670,971	8,305	-	679,276
Administrative expenses	8,216	2,694	2,307	13,217
Total deductions	679,187	10,999	2,307	692,493
Change in net position	1,364,391	326,808	64,051	1,755,250
Net position - beginning	9,222,975	1,686,189	735,145	11,644,309
Net position - ending	\$ 10,587,366	\$ 2,012,997	\$ 799,196	\$ 13,399,559

See accompanying Independent Auditor's Report.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Balance,</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance,</u> <u>June 30, 2017</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 342,160	\$ 475,177	\$ 470,607	\$ 346,730
Receivables	5,297	-	5,297	-
Total assets	<u>\$ 347,457</u>	<u>\$ 475,177</u>	<u>\$ 475,904</u>	<u>\$ 346,730</u>
<b>LIABILITIES</b>				
Payables	\$ -	\$ 5,335	\$ -	\$ 5,335
Due to others	347,457	469,842	475,904	341,395
Total liabilities	<u>\$ 347,457</u>	<u>\$ 475,177</u>	<u>\$ 475,904</u>	<u>\$ 346,730</u>

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*See accompanying Independent Auditor's Report.*



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**AMITY REGIONAL SCHOOL DISTRICT NO. 5**

**STATE SINGLE AUDIT REPORTS**

**JUNE 30, 2017**

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**INTERNAL CONTROL AND COMPLIANCE REPORT**

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Final Draft for Internal Use Only 12-06-2017

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

To the Board of Education of  
Amity Regional School District No. 5  
Woodbridge, Connecticut

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Amity Regional School District No. 5 (the "District"), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 8, 2017.

**Internal Control Over Financial Reporting**

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

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

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

## Compliance and Other Matters

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

## Purpose of this Report

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

*Mahoney Sabol + Company, LLP*

Glastonbury, Connecticut  
December 8, 2017

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STATE SINGLE AUDIT SECTION

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Final Draft for Internal Use Only 12-06-2017

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM,  
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE  
CONNECTICUT STATE SINGLE AUDIT ACT, AND ON  
THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**

To the Board of Education of  
Amity Regional School District No. 5  
Woodbridge, Connecticut

**Report on Compliance for Each Major Program**

We have audited Amity Regional School District No. 5's (the "District") compliance with the types of compliance requirements described in the State of Connecticut Office of Policy and Management's *Compliance Supplement to the State Single Audit Act* that could have a direct and material effect on each of the District's major state programs for the year ended June 30, 2017. The District's major state programs are identified in the summary of auditor's results section of the accompanying schedule of state findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its state programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the District's compliance.

**Opinion on Each Major State Program**

In our opinion, Amity Regional School District No. 5 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2017.

## Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

### Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

### Report on Schedule of Expenditures of State Financial Assistance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 8, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Mahoney Sabol + Company, LLP*

Glastonbury, Connecticut  
December 8, 2017



**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2017**

<b>State Grantor; Pass-Through Grantor; Program Title</b>	<b>State Grant Program Core-CT Number</b>	<b>Expenditures</b>
<b>NONEXEMPT PROGRAMS:</b>		
<b>DEPARTMENT OF EDUCATION</b>		
<b>Direct Programs:</b>		
Open Choice	11000-SDE64370-17053	\$ 45,000
Magnet Schools	11000-SDE64370-17057	19,500
Healthy Foods Initiative	11000-SDE64370-16212	11,621
Child Nutrition State Matching Grant	11000-SDE64370-16211	5,733
Adult Education	11000-SDE64370-17030	3,177
Health Services	11000-SDE64370-17034	337
		<u>85,368</u>
<b>Passed through Area Cooperative Educational Services:</b>		
Interdistrict Cooperative Grant	11000-SDE64370-17045	5,350
<b>Total Department of Education</b>		<u>90,718</u>
<b>Total State Financial Assistance Before Exempt Programs</b>		<u>90,718</u>
<b>EXEMPT PROGRAMS:</b>		
<b>DEPARTMENT OF EDUCATION</b>		
<b>Direct Programs:</b>		
Excess Cost Student Based and Equity	11000-SDE64370-17047	<u>1,012,165</u>
<b>DEPARTMENT OF ADMINISTRATIVE SERVICES</b>		
<b>Direct Programs:</b>		
School Construction Grants	13010-DAS27636-40901	6,491
<b>Total Exempt Programs</b>		<u>1,018,656</u>
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>		<u><u>\$ 1,109,374</u></u>

*The accompanying note is an integral part of this schedule.*

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**NOTE TO THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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Various departments and agencies of the State of Connecticut have provided financial assistance to Amity Regional School District No. 5 (the "District") through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs of the District.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governmental organizations. The following is a summary of the more significant policies relating to the aforementioned grant programs.

**Basis of Accounting**

The accompanying schedule of expenditures of state financial assistance has been prepared on the accrual basis consistent with the preparation of the basic financial statements. Information included in the schedule of expenditures of state financial assistance is presented in accordance with regulations established by the State of Connecticut Office of Policy and Management.

For cost reimbursement awards, revenues are recognized to the extent of expenditures. Expenditures have been recognized to the extent the related obligation was incurred within the applicable grant period and liquidated within 90 days after the end of the grant period.

For performance based awards, revenues are recognized to the extent of performance achieved during the grant period.

The schedule of expenditures of state financial assistance contained in this report is prepared based on regulations established by the State of Connecticut Office of Policy and Management. In accordance with these regulations (Section 4-236-22), certain financial assistance is not dependent on expenditure activity or the achievement of performance goals and, accordingly, is considered expended in the fiscal year of receipt. These financial assistance program receipts are reflected in the expenditures column of the schedule of expenditures of state financial assistance.

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements**

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

☐ Material weakness(es) identified? \_\_\_\_\_ Yes ✓ No  
None

☐ Significant deficiency(ies) identified? \_\_\_\_\_ Yes ✓ Reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes ✓ No

**State Financial Assistance**

Internal control over major programs:

☐ Material weakness(es) identified? \_\_\_\_\_ Yes ✓ No  
None

☐ Significant deficiency(ies) identified? \_\_\_\_\_ Yes ✓ Reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? \_\_\_\_\_ Yes ✓ No

The following schedule reflects the major programs included in the audit:

State Grantor/Program	State Grant Program Core – CT Number	Expenditures
<b>Department of Education:</b>		
Open Choice	11000-SDE64370-17053	\$ 45,000
Interdistrict Cooperative Grant	11000-SDE64370-17045	5,350

Dollar threshold used to distinguish between Type A and Type B programs: \$100,000

**SECTION II – FINANCIAL STATEMENT FINDINGS**

No financial statement findings were reported.

**SECTION III – STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS**

No findings or questioned costs were reported.

**SUMMARY SCHEDULE OF THE STATUS OF PRIOR AUDIT FINDINGS**

No findings were reported in the prior year.

# **AMITY REGIONAL SCHOOL DISTRICT NO. 5**

**Bethany Orange Woodbridge**  
**25 Newton Road, Woodbridge Connecticut 06525**



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**Theresa Lumas**  
**Director of Finance and Administration**  
[terry.lumas@reg5.k12.ct.us](mailto:terry.lumas@reg5.k12.ct.us)

**Phone (203) 397-4813**  
**Fax (203) 397-4864**

To: Dr. Charles S. Dumais, Superintendent of Schools

From: Theresa Lumas, Director of Finance and Administration

Re: Return Funds to Member Towns

Date: December 4, 2017

The Amity Finance Committee and Amity Board of Education will need to accept the Audited Financial Statements before funds can be returned to the member towns.

**Amity Finance Committee:**

***Move to recommend the Amity Board of Education accept the Annual Financial Statements for the period ending June 30, 2017, and authorize the Superintendent of Schools to return to the Member Towns a balance of \$1,818,631, as follows:***

<b><i>Town of Bethany</i></b>	<b><i>\$ 370,801</i></b>
<b><i>Town of Orange</i></b>	<b><i>\$ 886,400</i></b>
<b><i>Town of Woodbridge</i></b>	<b><i>\$ 561,430</i></b>
<b><i>Total</i></b>	<b><i>\$1,818,631</i></b>

**Amity Board of Education:**

***Move to accept the Annual Financial Statements for the period ending June 30, 2017, and authorize the Superintendent of Schools to return to the Member Towns a balance of \$1,818,631, as follows:***

<b><i>Town of Bethany</i></b>	<b><i>\$ 370,801</i></b>
<b><i>Town of Orange</i></b>	<b><i>\$ 886,400</i></b>
<b><i>Town of Woodbridge</i></b>	<b><i>\$ 561,430</i></b>
<b><i>Total</i></b>	<b><i>\$1,818,631</i></b>

# **AMITY REGIONAL SCHOOL DISTRICT NO. 5**

**Bethany Orange Woodbridge**  
**25 Newton Road, Woodbridge Connecticut 06525**



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**Theresa Lumas**  
**Director of Finance and Administration**  
[terry.lumas@reg5.k12.ct.us](mailto:terry.lumas@reg5.k12.ct.us)

**Phone (203) 397-4813**  
**Fax (203) 397-4864**

TO: Dr. Charles Dumais, Superintendent of Schools

FROM: Theresa Lumas, Director of Finance & Administration

DATE: December 5, 2017

RE: Capital Project

The bonded projects are complete and funds remain in the Capital and Nonrecurring Fund. The funds related to the bond can be spent on projects within the scope of the appropriation. The language included in the 2016 Bond Resolution for Capital Projects included language for additional project costs. "The District Board of Education is authorized to determine the scope and particulars of the project, and may reduce or modify the scope of the project as desirable, and the entire appropriation may be spent on the project as so reduced or modified."

The Facilities Committee met in September and reviewed the status of projects and funding. The Committee has recommended using \$187,950 for engineering costs of the remaining HVAC projects. I am recommending the Amity Board of Education approve the engineering work.

**For the Amity Finance Committee:**

***Recommend the Amity Board of Education approve the engineering work for the facilities HVAC projects.***

**For the Amity Board of Education:**

***Move to approve the engineering work for the facilities HVAC projects.***

# **AMITY REGIONAL SCHOOL DISTRICT NO. 5**

**Bethany Orange Woodbridge**  
**25 Newton Road, Woodbridge Connecticut 06525**



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**Theresa Lumas**  
**Director of Finance and Administration**  
[terry.lumas@reg5.k12.ct.us](mailto:terry.lumas@reg5.k12.ct.us)

**Phone (203) 397-4813**  
**Fax (203) 397-4864**

To: Dr. Charles S. Dumais, Superintendent of Schools

From: Theresa Lumas, Director of Finance and Administration

Re: Award of Contracts of \$35,000 of More

Date: December 4, 2017

I recommend the following contracts over \$35,000 be awarded by the Amity Board of Education and waive the bidding requirement of the Board's Policy on purchasing procedures:

**1. Septic Systems and Grease Pit Services:**

Country Septic Service LLC, of North Haven, CT, has been our vendor for septic and grease pit services for the past six years. We are currently in year three of a three-year contract extension due to Country Septic Service LLC holding their previous bid rate for an additional three years effective July 15, 2015. Our current agreement expires June 30, 2018. Country Septic Service LLC has offered to maintain the current rate for another two years, which would begin July 1, 2018 and continue through June 30, 2020. The total contract would be \$7,440.00 for septic services and \$4,400.00 for grease pit services for a total of \$11,840.00 annually. They have performed perfectly and have always been very quick to respond to emergency calls. I recommend we award a contract extension to Country Septic Services, LLC, of North Haven, CT, for the term of July 1, 2018 through June 30, 2020 at a total annual cost of \$11,840. The service we are receiving would be evaluated annually and any failure to provide satisfactory service would result in cancellation of the remainder of the contract.

**For the Amity Finance Committee:**

***Recommend the Amity Board of Education waive the bidding requirement and award a contract extension for the septic systems and grease pit services to Country Septic Service of North Haven, Connecticut for two years at the current price of \$11,840.00.***

**For the Amity Board of Education:**

***Move to waive the bidding requirement and award a contract extension for the septic systems and grease pit services to Country Septic Service of North Haven, Connecticut for two years at the current price of \$11,840.00.***

## **2. Trash and Recycling Removal Service:**

Our current Trash and Recycling Services Contract with All American Waste LLC, of New Haven, CT, expires on June 30, 2018. All American Waste LLC has been doing an excellent job for us for the past nine years. During the budget process, we reached out to them for estimated pricing for the 2018-2019 fiscal year and beyond. Our current three-year contract is valued at \$115,844.94. All American Waste LLC holds the State contract, and if we were to use that, the total value of a three-year contract would be \$131,788.80. Our account representative told us that if we go to a re-bid, the bid price would be \$122,795.32 for a three-year contract. Jim Saisa negotiated with them and got them to agree to hold the current contract pricing for another three-year contract. I recommend we award a three-year contract extension for Trash and Recycling Services to All American Waste LLC, of New Haven, CT for a total three-year price of \$115,844.94 for the term of July 1, 2018 through June 30, 2021. The service we are receiving would be evaluated annually and any failure to provide satisfactory service would result in cancellation of the remainder of the contract.

### **For the Amity Finance Committee:**

***Recommend the Amity Board of Education waive the bidding requirement and award a contract extension for the trash and recycling removal services to All American Waste LLC, of New Haven, Connecticut for three years at the current three-year price of \$115,844.94.***

### **For the Amity Board of Education:**

***Move to waive the bidding requirement and award a contract extension for the trash and recycling removal services to All American Waste LLC, of New Haven, Connecticut for three years at the current three-year price of \$115,844.94.***

## **3. Electrical Engineering:**

One of our main electrical panels tripped during the Micro Grid testing. It is not attributable to the micro grid. We were able to reset during testing because United Illuminating was on site to evaluate the breaker. The cause of the 1600-amp breaker trip is unknown so we had vanZelm Engineers prepare a preliminary evaluation. Both vanZelm and UI have advised that we undertake a Short Circuit and Coordination (SC&C) Study and Arc Flash Hazard Analysis for Amity High School. This study will provide the data necessary to test and calibrate the breaker.

### **For the Amity Finance Committee:**

***Recommend the Amity Board of Education waive the bidding requirement and authorize hiring vanZelm Engineers to prepare the electrical engineering study for 1600-amp breaker.***

### **For the Amity Board of Education:**

***Move to waive the bidding requirement and authorize hiring vanZelm Engineers to prepare the electrical engineering study for 1600-amp breaker.***

#### **4. Engineering Firm to Prepare Bid Specifications for Facilities HVAC Projects:**

We are in the process of a well-planned HVAC equipment replacement plan at Amity Regional High School of its 90's vintage equipment. Our Five-Year Capital Improvement Plan for Facilities calls for another bond referendum to replace the remaining equipment during the 2019-2020 year. Prior to the replacement of any equipment, engineering must be done to specify the equipment to be used, design the project, and prepare specifications. Having the design and specifications on-hand will always be valuable especially if a unit catastrophically fails prior to our scheduled replacement. This will expedite the emergency replacement greatly by having replacement plan readily available. vanZelm Engineers of Farmington, CT, has done extensive work in all of our buildings and knows all of our systems intimately.

#### **For the Amity Finance Committee:**

*Recommend the Amity Board of Education waive the bidding requirement and hire vanZelm Engineers to prepare specifications for the facilities HVAC projects. Estimated cost is \$187,950 funded from the Capital and Nonrecurring Account.*

#### **For the Amity Board of Education:**

*Move to waive the bidding requirement and that vanZelm Engineers to prepare specifications for the facilities HVAC projects. Estimated cost is \$187,950 funded from the Capital and Nonrecurring Account.*



**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**REVENUES AND EXPENDITURES**  
**FOR FY 2017-2018**

		<b>COLUMN 1</b>	<b>COLUMN 2</b>	<b>COLUMN 3</b>	<b>COLUMN 4</b>	<b>COLUMN 5</b>	<b>COLUMN 6</b>	<b>COL 7</b>
		<b>2016-2017</b>	<b>2017-2018</b>	<b>NOV '17</b>	<b>CHANGE</b>	<b>DEC '17</b>	<b>VARIANCE</b>	<b>FAV</b>
<b>LINE</b>	<b>CATEGORY</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>FORECAST</b>	<b>INCR./((DECR.))</b>	<b>FORECAST</b>	<b>OVER/(UNDER)</b>	<b>UNF</b>
1	MEMBER TOWN ALLOCATIONS	46,289,573	48,250,162	48,250,162	(581,396)	47,668,766	(581,396)	UNF
2	OTHER REVENUE	179,151	136,510	200,594	0	200,594	64,084	FAV
3	OTHER STATE GRANTS	1,012,502	0	0	581,396	581,396	581,396	FAV
4	MISCELLANEOUS INCOME	55,402	46,000	46,000	0	46,000	0	FAV
5	BUILDING RENOVATION GRANTS	6,491	6,491	6,491	0	6,491	0	FAV
6	<b>TOTAL REVENUES</b>	<b>47,543,119</b>	<b>48,439,163</b>	<b>48,503,247</b>	<b>0</b>	<b>48,503,247</b>	<b>64,084</b>	<b>FAV</b>
7	SALARIES	24,458,195	25,474,101	25,413,593	(722)	25,412,871	(61,230)	FAV
8	BENEFITS	6,002,563	6,418,372	6,410,496	0	6,410,496	(7,876)	FAV
9	PURCHASED SERVICES	7,498,587	8,394,700	7,671,904	100,861	7,772,765	(621,935)	FAV
10	DEBT SERVICE	4,709,213	4,406,650	4,406,650	0	4,406,650	0	FAV
11	SUPPLIES (INCLUDING UTILITIES)	2,701,384	2,897,963	2,885,934	0	2,885,934	(12,029)	FAV
12	EQUIPMENT	180,929	322,392	322,392	0	322,392	0	FAV
13	IMPROVEMENTS / CONTINGENCY	62,460	367,000	367,000	0	367,000	0	FAV
14	DUES AND FEES	136,290	157,985	157,985	0	157,985	0	FAV
15	TRANSFER ACCOUNT	0	0	0	0	0	0	FAV
16	<b>TOTAL EXPENDITURES</b>	<b>45,749,621</b>	<b>48,439,163</b>	<b>47,635,954</b>	<b>100,139</b>	<b>47,736,093</b>	<b>(703,070)</b>	<b>FAV</b>
17	<b>SUBTOTAL</b>	<b>1,793,498</b>	<b>0</b>	<b>867,293</b>	<b>(100,139)</b>	<b>767,154</b>	<b>767,154</b>	<b>FAV</b>
18	PLUS: CANCELLATION OF PRIOR YEAR'S ENCUMBRANCES	0	0	0	0	0	0	FAV
19	DESIGNATED FOR SUBSEQUENT YEAR'S BUDGET:	0	0	0	0	0	0	FAV
20	<b>NET BALANCE / (DEFICIT)</b>	<b>1,793,498</b>	<b>0</b>	<b>867,293</b>	<b>(100,139)</b>	<b>767,154</b>	<b>767,154</b>	<b>FAV</b>

Column 7: FAV=Favorable Variance  
Revenues: At or OVER budget  
Expenditures: At or UNDER budget

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**REVENUES AND EXPENDITURES**  
**FOR FY 2017-2018**

		<b>COLUMN 1</b>	<b>COLUMN 2</b>	<b>COLUMN 3</b>	<b>COLUMN 4</b>	<b>COLUMN 5</b>	<b>COLUMN 6</b>	<b>COL 7</b>
		<b>2016-2017</b>	<b>2017-2018</b>	<b>NOV '17</b>	<b>CHANGE</b>	<b>DEC '17</b>	<b>VARIANCE</b>	<b>FAV</b>
<b>LINE</b>	<b>CATEGORY</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>FORECAST</b>	<b>INCR./(DECR.)</b>	<b>FORECAST</b>	<b>OVER/(UNDER)</b>	<b>UNF</b>
1	BETHANY ALLOCATION	9,437,981	9,495,632	9,495,632	(114,419)	9,381,213	(114,419)	UNF
2	ORANGE ALLOCATION	22,561,538	24,017,483	24,017,483	(289,401)	23,728,082	(289,401)	UNF
3	WOODBIDGE ALLOCATION	14,290,054	14,737,047	14,737,047	(177,576)	14,559,471	(177,576)	UNF
4	<b>MEMBER TOWN ALLOCATIONS</b>	<b>46,289,573</b>	<b>48,250,162</b>	<b>48,250,162</b>	<b>(581,396)</b>	<b>47,668,766</b>	<b>(581,396)</b>	<b>UNF</b>
5	ADULT EDUCATION	3,177	3,042	3,042	0	3,042	0	FAV
6	PARKING INCOME	30,109	29,000	29,000	0	29,000	0	FAV
7	INVESTMENT INCOME	16,565	10,000	16,000	0	16,000	6,000	FAV
8	ATHLETICS	23,230	23,000	23,000	0	23,000	0	FAV
9	TUITION REVENUE	86,570	49,368	106,152	0	106,152	56,784	FAV
10	TRANSPORTATION INCOME	19,500	22,100	23,400	0	23,400	1,300	FAV
11	TRANSPORTATION BOWA AGREEMENT	0	0	0	0	0	0	FAV
12	<b>OTHER REVENUE</b>	<b>179,151</b>	<b>136,510</b>	<b>200,594</b>	<b>0</b>	<b>200,594</b>	<b>64,084</b>	<b>FAV</b>
13	BESB GRANT	0	0	0	0	0	0	FAV
14	SPECIAL EDUCATION GRANTS	1,012,502	0	0	581,396	581,396	581,396	FAV
15	<b>OTHER STATE GRANTS</b>	<b>1,012,502</b>	<b>0</b>	<b>0</b>	<b>581,396</b>	<b>581,396</b>	<b>581,396</b>	<b>FAV</b>
16	RENTAL INCOME	19,988	21,000	21,000	0	21,000	0	FAV
17	DESIGNATED FROM PRIOR YEAR	0	0	0	0	0	0	FAV
18	OTHER REVENUE	35,414	25,000	25,000	0	25,000	0	FAV
19	TRANSFER IN	0	0	0	0	0	0	FAV
20	<b>MISCELLANEOUS INCOME</b>	<b>55,402</b>	<b>46,000</b>	<b>46,000</b>	<b>0</b>	<b>46,000</b>	<b>0</b>	<b>FAV</b>
21	<b>BUILDING RENOVATION GRANTS</b>	<b>6,491</b>	<b>6,491</b>	<b>6,491</b>	<b>0</b>	<b>6,491</b>	<b>0</b>	<b>FAV</b>
22	<b>TOTAL REVENUES</b>	<b>47,543,119</b>	<b>48,439,163</b>	<b>48,503,247</b>	<b>0</b>	<b>48,503,247</b>	<b>64,084</b>	<b>FAV</b>

Column 7: FAV=Favorable Variance  
Revenues: At or OVER budget  
Expenditures: At or UNDER budget

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**REVENUES AND EXPENDITURES**  
**FOR FY 2017-2018**

		<b>COLUMN 1</b>	<b>COLUMN 2</b>	<b>COLUMN 3</b>	<b>COLUMN 4</b>	<b>COLUMN 5</b>	<b>COLUMN 6</b>	<b>COL 7</b>
		<b>2016-2017</b>	<b>2017-2018</b>	<b>NOV '17</b>	<b>CHANGE</b>	<b>DEC '17</b>	<b>VARIANCE</b>	<b>FAV</b>
<b>LINE</b>	<b>CATEGORY</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>FORECAST</b>	<b>INCR./ (DECR.)</b>	<b>FORECAST</b>	<b>OVER/ (UNDER)</b>	<b>UNF</b>
1	5111-CERTIFIED SALARIES	20,160,271	20,975,448	20,931,941	0	20,931,941	(43,507)	FAV
2	5112-CLASSIFIED SALARIES	4,297,924	4,498,653	4,481,652	(722)	4,480,930	(17,723)	FAV
3	<b>SALARIES</b>	<b>24,458,195</b>	<b>25,474,101</b>	<b>25,413,593</b>	<b>(722)</b>	<b>25,412,871</b>	<b>(61,230)</b>	<b>FAV</b>
4	5200-MEDICARE - ER	333,749	353,376	356,892	0	356,892	3,516	UNF
5	5210-FICA - ER	272,102	277,127	280,361	0	280,361	3,234	UNF
6	5220-WORKERS' COMPENSATION	232,488	251,584	231,986	0	231,986	(19,598)	FAV
7	5255-MEDICAL & DENTAL INSURANCE	3,820,370	4,369,049	4,369,049	0	4,369,049	0	FAV
8	5860-OPEB TRUST	157,272	105,537	105,537	0	105,537	0	FAV
9	5260-LIFE INSURANCE	42,163	44,211	44,211	0	44,211	0	FAV
10	5275-DISABILITY INSURANCE	9,276	9,373	9,635	0	9,635	262	UNF
11	5280-PENSION PLAN - CLASSIFIED	862,404	886,831	886,831	0	886,831	0	FAV
12	5281- DEFINED CONTRIBUTION RETIREMENT PLAN	48,776	54,384	59,093	0	59,093	4,709	UNF
12	5282-RETIREMENT SICK LEAVE - CERT	77,835	19,936	19,936	0	19,936	0	FAV
13	5283-RETIREMENT SICK LEAVE - CLASS	1,137	1,587	1,587	0	1,587	0	FAV
14	5284-SEVERANCE PAY - CERTIFIED	118,398	25,477	25,477	0	25,477	0	FAV
15	5290-UNEMPLOYMENT COMPENSATION	25,360	17,900	17,900	0	17,900	0	FAV
16	5291-CLOTHING ALLOWANCE	1,233	2,000	2,000	0	2,000	0	FAV
17	<b>BENEFITS</b>	<b>6,002,563</b>	<b>6,418,372</b>	<b>6,410,496</b>	<b>0</b>	<b>6,410,496</b>	<b>(7,876)</b>	<b>FAV</b>
18	5322-INSTRUCTIONAL PROG IMPROVEMENT	19,287	15,500	15,500	0	15,500	0	FAV
19	5327-DATA PROCESSING	74,490	94,178	94,178	0	94,178	0	FAV
20	5330-OTHER PROFESSIONAL & TECHNICAL SRVC	959,298	1,277,466	1,277,466	0	1,277,466	0	FAV
21	5440-RENTALS - LAND, BLDG, EQUIPMENT	88,456	97,947	97,947	0	97,947	0	FAV
22	5510-PUPIL TRANSPORTATION	2,684,145	2,928,073	2,665,015	23,108	2,688,123	(239,950)	FAV
23	5521-GENERAL LIABILITY INSURANCE	217,543	234,767	234,767	0	234,767	0	FAV
24	5550-COMMUNICATIONS: TEL, POST, ETC.	134,313	172,374	144,934	0	144,934	(27,440)	FAV
25	5560-TUITION EXPENSE	3,235,655	3,486,509	3,054,211	77,753	3,131,964	(354,545)	FAV
26	5590-OTHER PURCHASED SERVICES	85,400	87,886	87,886	0	87,886	0	FAV
27	<b>PURCHASED SERVICES</b>	<b>7,498,587</b>	<b>8,394,700</b>	<b>7,671,904</b>	<b>100,861</b>	<b>7,772,765</b>	<b>(621,935)</b>	<b>FAV</b>

Column 7: FAV=Favorable Variance  
Revenues: At or OVER budget  
Expenditures: At or UNDER budget

**AMITY REGIONAL SCHOOL DISTRICT NO. 5**  
**REVENUES AND EXPENDITURES**  
**FOR FY 2017-2018**

		<b>COLUMN 1</b>	<b>COLUMN 2</b>	<b>COLUMN 3</b>	<b>COLUMN 4</b>	<b>COLUMN 5</b>	<b>COLUMN 6</b>	<b>COL 7</b>
		<b>2016-2017</b>	<b>2017-2018</b>	<b>NOV '17</b>	<b>CHANGE</b>	<b>DEC '17</b>	<b>VARIANCE</b>	<b>FAV</b>
<b>LINE</b>	<b>CATEGORY</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>FORECAST</b>	<b>INCR./((DECR.)</b>	<b>FORECAST</b>	<b>OVER/(UNDER)</b>	<b>UNF</b>
28	5830-INTEREST	1,249,213	821,650	821,650	0	821,650	0	FAV
29	5910-REDEMPTION OF PRINCIPAL	3,460,000	3,585,000	3,585,000	0	3,585,000	0	FAV
30	<b>DEBT SERVICE</b>	<b>4,709,213</b>	<b>4,406,650</b>	<b>4,406,650</b>	<b>0</b>	<b>4,406,650</b>	<b>0</b>	<b>FAV</b>
31	5410-UTILITIES, EXCLUDING HEAT	669,181	681,950	669,921	0	669,921	(12,029)	FAV
32	5420-REPAIRS, MAINTENANCE & CLEANING	703,831	720,055	720,055	0	720,055	0	FAV
33	5611-INSTRUCTIONAL SUPPLIES	361,671	385,274	385,274	0	385,274	0	FAV
34	5613-MAINTENANCE/CUSTODIAL SUPPLIES	201,900	219,965	219,965	0	219,965	0	FAV
35	5620-OIL USED FOR HEATING	36,763	37,870	37,870	0	37,870	0	FAV
36	5621-NATURAL GAS	63,982	53,845	53,845	0	53,845	0	FAV
37	5627-TRANSPORTATION SUPPLIES	87,411	117,341	117,341	0	117,341	0	FAV
38	5641-TEXTS & DIGITAL RESOURCES	70,197	111,221	111,221	0	111,221	0	FAV
39	5642-LIBRARY BOOKS & PERIODICALS	18,970	21,615	21,615	0	21,615	0	FAV
40	5690-OTHER SUPPLIES	487,478	548,827	548,827	0	548,827	0	FAV
41	<b>SUPPLIES (INCLUDING UTILITIES)</b>	<b>2,701,384</b>	<b>2,897,963</b>	<b>2,885,934</b>	<b>0</b>	<b>2,885,934</b>	<b>(12,029)</b>	<b>FAV</b>
42	5730-EQUIPMENT - NEW	47,837	72,200	72,200	0	72,200	0	FAV
43	5731-EQUIPMENT - REPLACEMENT	133,092	250,192	250,192	0	250,192	0	FAV
44	<b>EQUIPMENT</b>	<b>180,929</b>	<b>322,392</b>	<b>322,392</b>	<b>0</b>	<b>322,392</b>	<b>0</b>	<b>FAV</b>
45	5715-IMPROVEMENTS TO BUILDING	32,160	51,000	51,000	0	51,000	0	FAV
45a	5715-FACILITIES CONTINGENCY	9,775	100,000	100,000	0	100,000	0	FAV
45b	TRSF. FROM FACILITIES CONTINGENCY	(9,775)	0	0	0	0	0	FAV
46	5720-IMPROVEMENTS TO SITES	30,300	66,000	66,000	0	66,000	0	FAV
47	5850-DISTRICT CONTINGENCY	48,574	150,000	150,000	0	150,000	0	FAV
47a	TRSF. FROM CONTINGENCY TO OTHER ACCTS.	(48,574)	0	0	0	0	0	FAV
48	<b>IMPROVEMENTS / CONTINGENCY</b>	<b>62,460</b>	<b>367,000</b>	<b>367,000</b>	<b>0</b>	<b>367,000</b>	<b>0</b>	<b>FAV</b>
49	5580-STAFF TRAVEL	19,264	22,432	22,432	0	22,432	0	FAV
50	5581-TRAVEL - CONFERENCES	28,433	36,520	36,520	0	36,520	0	FAV
51	5810-DUES & FEES	88,593	99,033	99,033	0	99,033	0	FAV
52	<b>DUES AND FEES</b>	<b>136,290</b>	<b>157,985</b>	<b>157,985</b>	<b>0</b>	<b>157,985</b>	<b>0</b>	<b>FAV</b>
53	<b>5856-TRANSFER ACCOUNT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>FAV</b>
54	<b>ESTIMATED UNSPENT BUDGETS</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>FAV</b>
55	<b>TOTAL EXPENDITURES</b>	<b>45,749,621</b>	<b>48,439,163</b>	<b>47,635,954</b>	<b>100,139</b>	<b>47,736,093</b>	<b>(703,070)</b>	<b>FAV</b>

Column 7: FAV=Favorable Variance  
Revenues: At or OVER budget  
Expenditures: At or UNDER budget

**AMITY REGIONAL SCHOOL DISTRICT NO. 5  
REVENUES & EXPENDITURES BY CATEGORY  
FINANCIAL ANALYSIS  
FOR THE FISCAL YEAR 2017-2018**



**DECEMBER 2017**

**2017-2018 FORECAST**

**Potential Use of Unspent Fund Balance:**

*The Superintendent of Schools plans to ask the Amity Finance Committee and Amity Board of Education to set a District Meeting to propose a supplemental appropriation, up to 1%, \$484,391, of the operating budget, from the estimated fiscal year 2018 fund balance into the Reserve for Capital Nonrecurring Expenditures. The Amity Finance Committee and Amity Board of Education will be asked to consider this request at their September 2018 meeting.*

**OVERVIEW**

The projected unspent fund balance for this fiscal year is **\$767,154 FAV** (previously **\$867,293 FAV**), which appears on page 1, column 6, line 20.

**REVENUES BY CATEGORY**

The projected yearend balance of revenues is **\$64,084 FAV** previously **\$64,084 FAV**, which appears on page 2, column 6, line 22.

**LINES 1-4 on Page 2: TOWN ALLOCATIONS**

*The adopted State budget left the Excess Cost grant intact. We are currently expecting to receive \$581,396 FAV for the year based on the December SEDAC-G report. The State will issue a partial payment (about 75%) of the funds at the end of February. The estimated reimbursement rate is 75% of actual costs incurred. Updated cost information is filed with the State in March so the June payments are recalculated. We do not know the actual reimbursement rate until payments are made and the rate fluctuates from February to June reimbursements. The Town allocations have been projected to be reduced by this revenue.*

**LINE 5 on Page 2: ADULT EDUCATION:**

The forecast is based on projected State payments.

**LINE 7 on Page 2: INVESTMENT INCOME:**

The budget is based on the expectation interest rates will remain steady and revenue will be at budget. Forecast projects investment income will be \$6,000 FAV more than anticipated.

<u>Month</u>	<u>Peoples United</u>	<u>State Treasurer's Investment Fund</u>
July 2017	0.395 %	0.930 %
August 2017	0.397%	1.050%
September 2017	0.397%	1.070%
October 2017	0.397%	1.150%
November 2017	0.397%	1.190%

**LINE 8 on Page 2: ATHLETICS:**

The forecast is based on a historical analysis.

**LINE 9 on Page 2: TUITION REVENUE:**

The budget is based on three tuition students. The actual tuition charged is higher than budgeted. Three new tuition students enrolled in the District. The projected variance is \$56,784 FAV previously \$56,784 FAV.

**LINE 10 on Page 2: TRANSPORTATION INCOME:**

The forecast is based on projected State payments for magnet school transportation only.

**LINE 14 on Page 2: SPECIAL EDUCATION GRANTS:**

There were no funds budgeted on this line. The State budget proposed eliminating this grant and creating a new special education grant. The new special education grant is proposed as a direct payment to the member towns. *The adopted State budget left the Excess Cost grant intact. We are currently expecting to receive \$581,396 FAV for the year based on the December SEDAC-G report. The State will issue a partial payment (about 75%) of the funds at the end of February. The estimated reimbursement rate is 75% of actual costs incurred. Updated cost information is filed with the State in March so the June payments are recalculated. We do not know the actual reimbursement rate until payments are made and the rate fluctuates from February to June reimbursements. The Town allocations have been projected to be reduced by this revenue.*

**LINE 16 on Page 2: RENTAL INCOME:**

The forecast is based on a historical analysis.

**LINE 18 on Page 2: OTHER REVENUE:**

The forecast assumes the account will be on target.

**EXPENDITURES BY CATEGORY**

The projected yearend balance of expenditures is *\$803,209 FAV previously \$713,790 FAV*, which appears on page 4, column 6, line 55.

**LINE 1 on Page 3: 5111-CERTIFIED SALARIES:**

*The current forecast projects \$43,507 FAV variance, previously \$43,507 FAV variance.* Unpaid leaves of absences account for \$19,877 FAV and approximately \$15,000 FAV in staff changes. Adjustments to tutoring needs and additional consumer science lab time offered account for the October change.

**LINE 2 on Page 3: 5112-CLASSIFIED SALARIES:**

The current forecast projects \$17,723 FAV variance, previously \$17,001 FAV variance due to staff changes. Overtime adjustments account for the \$722 change.

**LINES 3 & 4 on Page 3: 5200 & 5210-MEDICARE & FICA:**

The forecast is based on the current staff.

**LINE 6: 5220 on Page 3-WORKERS' COMPENSATION:**

The workers' compensation premium is as budgeted and the forecast assumes the payroll audit will be as budgeted. Payroll audit is pending; field work has been completed. Member equity distribution received for \$19,598 FAV.

**LINES 7 on Page 3: 5255-MEDICAL AND DENTAL INSURANCE:**

The forecast assumes actual claims of current employees and retirees will be the same as budget except for months with *actual claims (highlighted in bold, italics)*. *The current projection for claims and fees is neutral, currently claims and fees are \$309,945 FAV previously \$285,984 FAV.* Other projections such as employee contribution and employer HSA deposits are not yet finalized.

**CLAIMS OF CURRENT EMPLOYEES AND RETIREES**

<b>MONTH</b>	<b>2017-2018 ACTUAL</b>	<b>2017-2018 BUDGET</b>	<b>VARIANCE</b>	<b>2016-2017 ACTUAL</b>	<b>2015-2016 ACTUAL</b>
<i><b>JUL</b></i>	<i><b>\$ 254,849</b></i>	\$ 376,127	<i><b>\$ (121,278)</b></i>	\$ 309,902	\$ 424,798
<i><b>AUG</b></i>	<i><b>\$ 374,433</b></i>	\$ 376,127	<i><b>\$ (1,695)</b></i>	\$ 466,996	\$ 298,314
<i><b>SEP</b></i>	<i><b>\$ 219,176</b></i>	\$ 376,127	<i><b>\$ (156,951)</b></i>	\$ 250,040	\$ 311,187
<i><b>OCT</b></i>	<i><b>\$ 271,340</b></i>	\$ 376,127	<i><b>\$ (104,787)</b></i>	\$ 250,625	\$ 316,592
<i><b>NOV</b></i>	<i><b>\$ 353,747</b></i>	\$ 376,127	<i><b>\$ (22,380)</b></i>	\$ 307,308	\$ 382,903
DEC	\$ 376,127	\$ 376,127	\$ -	\$ 482,363	\$ 416,646
JAN	\$ 376,127	\$ 376,127	\$ -	\$ 178,047	\$ 382,654
FEB	\$ 376,127	\$ 376,127	\$ -	\$ 308,703	\$ 253,140
MAR	\$ 376,127	\$ 376,127	\$ -	\$ 282,399	\$ 360,554
APR	\$ 376,127	\$ 376,127	\$ -	\$ 219,690	\$ 479,532
MAY	\$ 376,127	\$ 376,127	\$ -	\$ 449,993	\$ 370,820
JUN	\$ 376,127	\$ 376,127	\$ -	\$ 301,248	\$ 320,630
<b>TOTALS</b>	<b>\$ 4,106,433</b>	<b>\$4,513,524</b>	<b>\$ (407,091)</b>	<b>\$3,807,314</b>	<b>\$4,317,770</b>

**ACTUAL/FORECAST CLAIMS AS A PERCENTAGE OF EXPECTED CLAIMS**

<b>2014-2015 ACTUAL</b>	<b>2015-2016 ACTUAL</b>	<b>2016-2017 ACTUAL</b>	<b>2017-2018 BUDGET</b>	<b>2017-2018 FORECAST</b>
87.3%	99.9%	85.2%	100.0%	<i><b>91.0%</b></i>

**Note: 2017-2018 FORECAST of projected claims for this fiscal year as a percentage of expected claims is based on actual year-to-date claims plus budgeted claims for the remainder of the year divided by expected (budgeted) claims.**

**FEES OF CURRENT EMPLOYEES AND RETIREES**  
(Stop-Loss Premiums, Network Access Fees, and Other Fees)

<b>MONTH</b>	<b>2017-2018 ACTUAL</b>	<b>2017-2018 BUDGET</b>	<b>VARIANCE</b>	<b>2016-2017 ACTUAL</b>	<b>2015- 2016 ACTUAL</b>
<i><b>JUL</b></i>	\$ 84,939	\$ 60,539	\$ 24,400	\$ 79,407	\$ 95,297
<i><b>AUG</b></i>	\$ 96,820	\$ 60,539	\$ 36,281	\$ 101,465	\$ 87,514
<i><b>SEP</b></i>	\$ 73,886	\$ 60,539	\$ 13,347	\$ 75,692	\$ 73,583
<i><b>OCT</b></i>	\$ 85,237	\$ 60,539	\$ 24,698	\$ 80,902	\$ 76,154
<i><b>NOV</b></i>	\$ 58,958	\$ 60,539	\$ (1,581)	\$ 46,802	\$ 41,351
DEC	\$ 60,539	\$ 60,539	\$ -	\$ 42,983	\$ 40,224
JAN	\$ 60,539	\$ 60,539	\$ -	\$ 41,762	\$ 29,552
FEB	\$ 60,539	\$ 60,539	\$ -	\$ 42,203	\$ 38,454
MAR	\$ 60,539	\$ 60,539	\$ -	\$ 42,080	\$ 39,472
APR	\$ 60,539	\$ 60,539	\$ -	\$ 42,032	\$ 39,177
MAY	\$ 60,539	\$ 60,539	\$ -	\$ 42,101	\$ 28,560
JUN	\$ 60,539	\$ 60,539	\$ -	\$ 41,807	\$ 28,670
<b>TOTALS</b>	<b>\$ 823,614</b>	<b>\$ 726,468</b>	<b>\$ 97,146</b>	<b>\$ 679,235</b>	<b>\$ 618,008</b>

**LINE 9 on Page 3: 5260-LIFE INSURANCE:**

The forecast is based on the current staff.

**LINE 10 on Page 3: 5275-DISABILITY INSURANCE:**

The forecast is based on the current staff. The forecast projects \$360 UNF after the policy was updated with current staffing and coverages.

**LINE 11 on Page 3: 5281-DEFINED CONTRIBUTION RETIREMENT PLAN:**

The District negotiated into most of the classified contracts the establishment of a defined contribution pension plan. Fiduciary Investment Advisors was contracted to bid the services. International City Management Association (ICMA-RC) was selected to administer the plan. *The current forecast projects the District's contribution will be on over budget by \$4,709 UNF.*

**LINE 20: 5330-PROFESSIONAL TECHNICAL SERVICES:**

*Legal costs are projected to be on budget at this point. Administrative legal services are \$5,750 YTD, Board directed legal services are \$1,372 YTD, Negotiation legal services are \$10,041 YTD, Personnel legal services are \$ 0 YTD and Special Education legal services are \$9,566 YTD.*

**LINE 22 on Page 3: 5510-PUPIL TRANSPORTATION:**

Special Education Transportation is a projected variance of **\$239,950 FAV (previously \$285,033 FAV)**. The forecast is based on the current transportation needs of the students. The actual runs needed in September were less than anticipated with one less special run, and one shorter run is shared with one of the member towns. The forecast includes combining two runs mid-October as well. There continue to be changes throughout the year.



**LINE 24 on Page 3: 5550-COMMUNICATIONS, TEL, POSTAGE:**

The State of CT is not billing the District separately for Bethany Middle School as we were told last year. Bethany Middle School and Amity High School are billed as one entity. Our e-rate application for the current budget year was approved and we began receiving discounted invoices. \$27,440 FAV.

**LINE 25 on Page 3: 5560-TUITION EXPENSE:**

Tuition has a projected variance of **\$354,545 FAV (previously \$432,298)**. The forecast is based on current students and their placements and will change throughout the year.

Tuition for the vo-ag schools has a projected variance of **\$15,221 UNF previously \$6,368 UNF**. Vo-Ag Enrollment is up by two students. Magnet/Charter school enrollment is up by 1 student. Additional services are required for a special needs student.

	<b>FY13-14 ACTUAL</b>	<b>FY14-15 ACTUAL</b>	<b>FY15-16 ACTUAL</b>	<b>FY16-17 ACTUAL</b>	<b>FY17-18 BUDGET</b>	<b>FY17-18 FORECAST</b>
Sound	7	5	4	3	5	<b>4</b>
Trumbull	2	2	3	3	4	<b>6</b>
Nonnewaug	2	1	<b>3(5) <sup>a</sup></b>	3	3	<b>4</b>
Common Ground Charter HS	0	1	1	1	0	<b>0</b>
ACES Wintergreen Magnet	1	0	0	0	0	<b>0</b>
King Robinson Magnet	0	0	1	1	0	<b>0</b>
Engineering Science Magnet	0	0	0	0	1	<b>1</b>
Highville Charter School	0	0	0	0	0	<b>1</b>
<b>Totals</b>	<b>12</b>	<b>9</b>	<b>12(14)</b>	<b>15</b>	<b>13</b>	<b>16 (16)</b>

Note <sup>a</sup>: Two students left on April 15, 2016.

ECA has a projected variance of **\$11,500 FAV previously \$16,200 FAV due to lower enrollment. One additional student was enrolled from the wait list.**

	FY13-14 ACTUAL	FY14-15 ACTUAL	FY15-16 ACTUAL	FY16-17 ACTUAL	FY17-18 BUDGET	FY17-18 FORECAST
ECA	26	26	22	15	21	19(18)

Public (ACES) and private out-of-district placements has a projected variance **of \$358,266 FAV previously \$427,166 FAV.** An outplaced student moved out of the District and another outplaced student returned to the District.

	FY13-14 ACTUAL	FY14-15 ACTUAL	FY15-16 ACTUAL	FY16-17 ACTUAL	FY17-18 BUDGET	FY17-18 FORECAST
Public SPED	6	10	6	8	8	10
Private SPED	25	24	26	27	26	22
Totals	31	34	33	35	34	32(32)

**LINE 30 on Page 4: 5410-UTILITIES, EXCLUDING HEAT:**

The 2017-2018 budget for electricity assumes the use of 3,683,126 kilowatt hours at an average price of \$0.16262 per kilowatt hour, or a cost of \$598,950. Only one invoice has been received to date, no variance is projected.

**ELECTRICITY (KILOWATT HOURS)**

MONTH	2017-2018 FORECAST	2017-2018 BUDGET	VARIANCE	2016-2017 ACTUAL	2015-2016 ACTUAL
<b><i>JUL</i></b>	<b><i>259,046</i></b>	341,940	<b><i>(82,894)</i></b>	308,892	339,296
<b><i>AUG</i></b>	<b><i>286,777</i></b>	361,857	<b><i>(75,080)</i></b>	363,040	374,855
<b><i>SEP</i></b>	<b><i>285,740</i></b>	356,339	<b><i>(70,599)</i></b>	336,638	361,951
<b><i>OCT</i></b>	<b><i>280,876</i></b>	298,918	<b><i>(18,042)</i></b>	280,809	293,904
NOV	289,527	289,527	-	283,913	276,758
DEC	290,763	290,763	-	271,495	269,037
JAN	300,469	300,469	-	271,495	273,192
FEB	306,991	306,991	-	281,139	291,283
MAR	304,483	304,483	-	274,324	297,274
APR	301,956	301,956	-	271,093	276,797
MAY	326,836	326,836	-	290,167	300,487
JUN	333,901	333,901	-	270,748	296,170
Totals	<b><i>3,567,365</i></b>	<b><i>3,813,980</i></b>	<b><i>(246,615)</i></b>	<b><i>3,503,753</i></b>	<b><i>3,651,004</i></b>

**Note: 2017-2018 Actual Kilowatt Hours shown in bold italics.**

The budget assumes there will not be a Load Shed credit. There has been one load shed event so far this summer. ***A check for \$2,181 was received for the load shed event. To date we have used 1,112,439 KWH at an average cost of \$0.1792/kwh. The forecast projects a surplus of \$12,181 FAV previously, \$12,181 FAV.***

The budget for propane is \$3,000. The forecast is \$2,100 or \$900 FAV under budget.

Sewer costs are budgeted at \$36,000, our estimated total payments will be **\$37,052 or \$1,052 UNF.**

DEGREE DAYS

*There are 538 degree days through November, 2017 as opposed to 614 last year*

**LINE 45 on Page 4: 5715-IMPROVEMENTS TO BUILDING:**

The facilities contingency has a budget of \$100,000. The projection is that these funds will be entirely used or appropriated to the Capital Reserve Account. The current balance is \$100,000.

**LINE 47 on Page 4: 5850-CONTINGENCY:**

The budget includes a \$150,000 contingency for unplanned, necessary expenditures. The forecast assumes these funds will be entirely used. The current balance is \$150,000.

APPENDIX A

COST SAVINGS AND  
EFFICIENCIES FOR FISCAL  
YEAR 2017-2018

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**TOTAL ANNUAL SAVINGS TO-DATE OF:     \$21,413**

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**\$13,930 Cable Advisory Grant:** One of the high school teachers, Jeremy Iverson, applied for and received a grant from Cable Advisory Grant. The grant is to be used to purchase production equipment for the film courses and production room. This reduces the amounts that would be funded through the general fund.

**\$7,483 Library Media Center – Amity Regional High School:** The Library Media Specialist, Robert Musco has develop several procedures to keep the library media center current while maximizing the budget dollars and generating additional funds to support the library media center. Unused assets, such as card catalog cabinets, microfiche machines, and music CDs are offered for sale (\$450). Inexpensive electronic devices that fail within in a 3-year period are credited back to our account by Amazon. Periodicals that are not utilized or available online are not purchased, reducing subscriptions from over 40 down to 21 and saving over \$1,000. The staff monitors and develops procedures to control losses which increased the recovery rate of library media materials (\$5,833). Purchased used books whenever possible.

There is a detailed history of the District's efforts to save dollars and operate efficiently. This information is posted on the District's website:

- **Energy Savings Initiatives for the past decade**  
<http://www.amityregion5.org/common/pages/DisplayFile.aspx?itemId=30983906>
- **District recognized CQIA Innovation Prize for Fostering a District Culture of Maximizing Cost Savings and Efficiencies**  
<http://www.amityregion5.org/common/pages/DisplayFile.aspx?itemId=27984932>
- **Fiscal Year 2016-2017 – \$595,302**  
<http://www.amityregion5.org/common/pages/DisplayFile.aspx?itemId=50880359>
- **Fiscal Year 2015-2016 – \$125,911**  
<http://www.amityregion5.org/common/pages/DisplayFile.aspx?itemId=27984930>
- **Fiscal Year 2014-2015 – \$139,721**  
<http://www.amityregion5.org/common/pages/DisplayFile.aspx?itemId=27984928>

## APPENDIX B

### MONTHLY FORECASTS: PURPOSE, METHODOLOGY, HISTORICAL

#### **PURPOSE & METHODOLOGY:**

A forecast is a prediction or estimate of future events and trends. **It is only as good as the data available and the assumptions used.** We use current information and past history.

There are many factors, which can significantly impact expenditures, both positively and negatively (e.g., staff turnover, vacancies and leaves-of absence; medical and dental insurance claims when self-insured; special education expenditures; major facility repairs; snow removal).

To illustrate, a special education student could move into the District in mid-year and the cost impact could be over \$100,000 and/or we could have a 'bad claims year' and wipe out the Self Insurance Reserve Fund and need other funds to cover claims of current employees and retirees. If we do not have available funds to cover these and other potential shortfalls, the necessity to seek additional funding from the public would be our only option (as only the towns have a fund balance from prior years available to use in the case of an emergency).

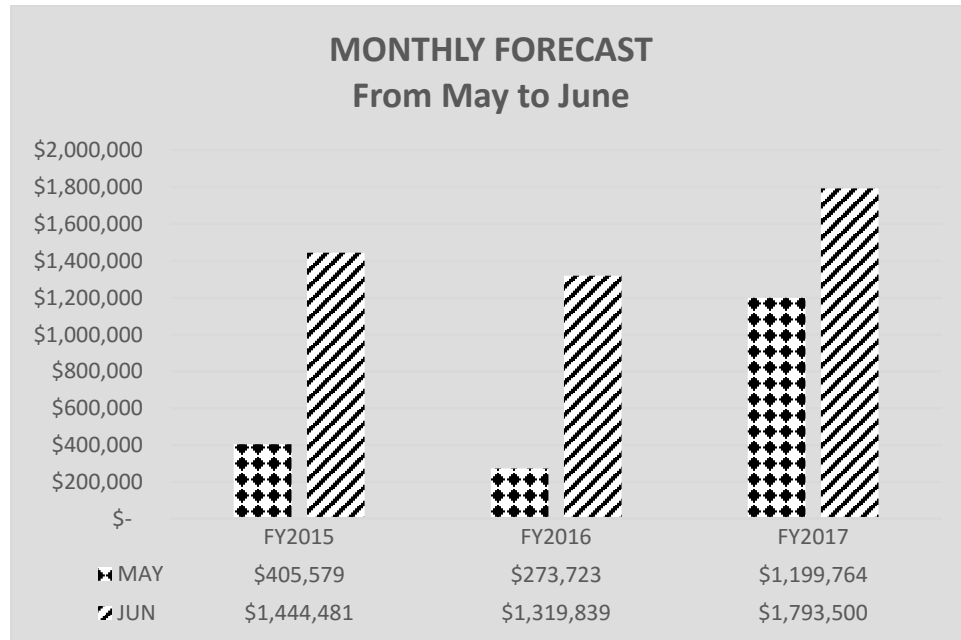
Revenues can be most impacted by decisions made at the State level for Special Education and Transportation grants. We have seen the reimbursement rate change in mid-year.

Prudent financial management is necessary. We need to be sure the total expenditures budget is never overspent (and may need to be underspent if revenues are below budget because total expenditures cannot exceed total revenues). It is imperative we 'hold back' on spending any of the Contingency Account until it is absolutely necessary or we are close to yearend. The Superintendent of Schools and Director of Finance and Administration review and approve or deny all purchase orders. We are careful to make sure funds are only spent when necessary and not just because 'it is in the budget'. We are constantly faced with the 'what-ifs' of over expenditures in certain accounts. We need to be sure there are sufficient funds available. As a result, the fund balance has been larger towards the end of the fiscal year.

Furthermore, the monthly forecasts are based on the information available. We have had large, unexpected or highly unpredictable events at the end of the fiscal year (mostly of a positive nature), which have significantly change the forecast from May to June.

## HISTORICAL:

The chart below depicts the yearend balance projected in May and June of each of the past three fiscal years.



The major contributors of the significant change from the May to June forecasts are detailed below.

### FY2015:

The projected fund balance was \$1,444,481. The monthly forecast for May 2015 projected a fund balance of \$405,579, or **\$1,038,902 higher than the prior month's forecast**. The major reasons for the significant increase in the yearend fund balance from one month to the next month were, as follows:

- **\$137,115:** Certified and classified salaries were lower than forecasted. It is not until the end of the fiscal year when we know the actual expenditures for coverages, substitutes, leaves of absences, overtime, and pay docks. We use conservative estimates in the forecasts based on past history.
- **\$153,315:** Special education transportation and tuition expenditures were lower than forecasted. The May forecast included the possible costs due to two families that were beginning to proceed to due process. No expenditures were incurred in this fiscal year.

- **\$503,754:** Medical & dental claims were lower than expected. Since we are self-insured, actual claims are not known until the end of the fiscal year. Based on actual claims, we returned most of these funds to the member towns.
- **\$136,270:** As part of the yearend processing, unspent encumbrances are eliminated.
- **\$41,162:** Final grant payments for Special Education and Transportation are not known until the end of the fiscal year.

#### **FY2016:**

The audited fund balance is \$1,319,839. The monthly forecast for May 2016 projected a fund balance of \$273,723 which included \$427,713 transferred into Capital Reserve and a debt of \$145,086 owed to the State. The change is **\$473,344 higher than the prior month's forecast**. The major reasons for the significant increase in the yearend fund balance from one month to the next month were, as follows:

- **\$237,904:** Certified and classified salaries were lower than forecasted. It is not until the end of the fiscal year when we know the actual expenditures for coverages, substitutes, leaves of absences, overtime, and pay docks. We use conservative estimates in the forecasts based on past history.
- **\$107,099:** Purchased services were lower than forecasted. Athletics held fewer home contests, did not have a need for assistant coaches in a few middle school sports and cheerleading did not field a squad. Intern were fewer than budgeted. Less than anticipated need for psychiatric consults and other consultants at PPTs.
- **\$85,857:** Final grant payments for Special Education and Transportation are not known until the end of the fiscal year. The reimbursement rate was 77.63% which is higher than the budgeted rate of 75%. The prior year adjustment was positive as were the changes in student placements.

#### **FY2017:**

The audited fund balance for 2016-2017 is \$1,793,498. The monthly forecast for May projected a fund balance of \$1,199,764, which included \$345,000 for Capital Reserve. The change is \$593,736 higher than the prior month's forecast.

- **\$231,098:** Certified and classified salaries were lower than forecasted. It is not until the end of the fiscal year when we know the actual expenditures for coverages, substitutes, leaves of absences, overtime, and pay docks. We use conservative estimates in the forecasts based on past history.

- **\$129,651:** Purchased services were lower than forecasted. Athletics held fewer home contests, did not have a need for assistant coaches in a few middle school sports and cheerleading did not field a squad. Interns were fewer than budgeted. Less than anticipated need for psychiatric consults and other consultants at PPTs. Transportation for field trips, athletics contests, and special education were lowered than expected.
- **\$76,592:** Supply accounts were under budget. These accounts include general instructional supplies, texts, library materials, transportation and maintenance supplies, and repair and maintenance accounts. Staff monitor budgets closely during the year and spend very conservatively. The staff does not attempt to “zero out” accounts but purchase what is needed at the best possible price.
- **\$54,302:** Utilities expenses were lower than anticipated. Electricity usage was lower than forecasted. The final invoice comes in July and the cooler temperatures saved on air conditioning costs. Fuel for bus drivers was not fully expended. Bus drivers have until June 30<sup>th</sup> to take fuel and the towns bill in the next 4 -6 weeks. Not all the fuel was taken though the forecast assumed all fuel would be used.



## APPENDIX C

### **RECAP OF 2014-2015**

The fund balance of **\$1,448,929 FAV** is derived from cost savings initiatives, special education, and uncontrollable and/or unforeseen circumstances. The primary sources of the fund balance are, as follows:

#### **FINANCIAL MANAGEMENT:**

**\$ 139,721**

Our efforts to foster a District culture of finding cost savings and efficiencies has been successful.

#### **SPECIAL EDUCATION (NET):**

**\$ 312,263**

The primary reasons for the favorable variance were changes in the expected placements of some students; two previously outplaced students returned to the District; two fewer students than budgeted were in the Step Forward Program at Gateway; the average tuition costs increased 3 percent rather than the budgeted increase of 5 percent; and transportation costs were shared with an Elementary School District.

#### **OTHER:**

**\$ 996,945**

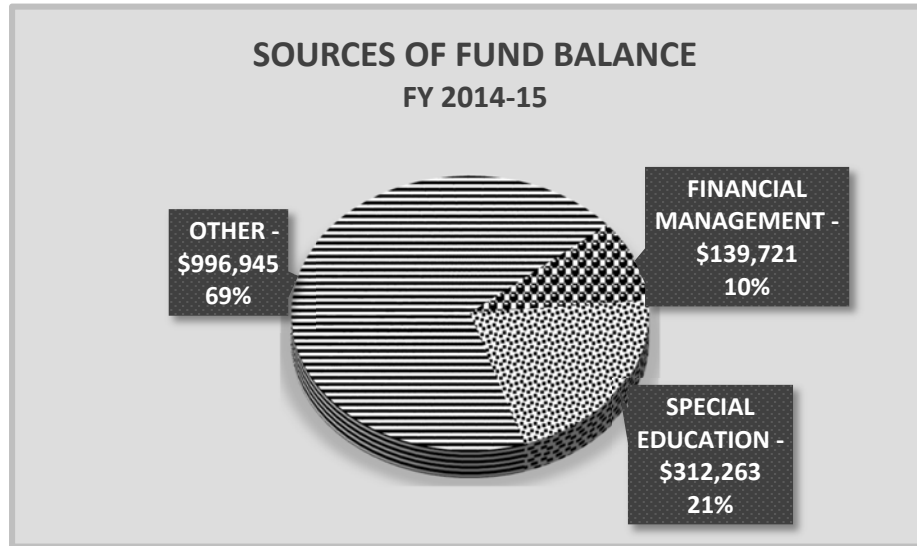
Turnover savings from replacing teachers who retired or resigned exceeded budget by **\$99,002**. We found out about 14 retirements and resignations after the budget was adopted. The budget assumed 5 retirements and resignations. In addition, the replacement of the Director of Counseling who resigned on August 28, 2014 and was replaced on November 11, 2014, resulted in a savings of **\$29,270**.

Other personnel savings came from unpaid leaves-of-absences for savings of approximately **\$135,000**; Bench Subs, long-term and short-term subs and Kelly Services substitutes were **\$60,911** below budget; Homebound expenses were under budget by **\$27,311**; and staff changes, vacancies and lower overtime accounted for most of the remaining favorable variance of **\$125,563** in the salary accounts.

Medical and dental insurance budget did not need to be fully used. This resulted in a favorable variance of **\$328,754** with the budget transfer of \$175,000 into the OPEB Trust.

Other professional services for special education students were not needed for a savings of **\$71,507**.

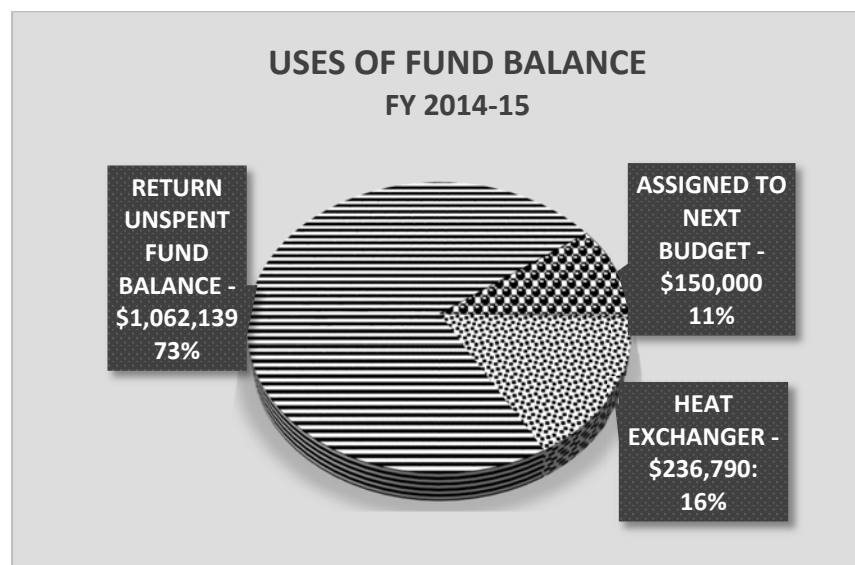
The primary sources of the fund balance are shown graphically below:



The recommended uses of the fund balance are, as follows:

1. **\$1,062,139** – Return unspent fund balance
2. **\$150,000** - Designated for the 2015-2016 budget
3. **\$236,790** - Put into the Reserve Fund for Capital and Nonrecurring Expenses for the purpose of purchasing and installing a heat exchanger at Amity Regional High School

The uses of the fund balance are shown graphically below:



**Return Unspent Fund Balance:**

The unspent fund balance has been returned to the Member Towns, as follows:

Bethany	\$ 221,148
Orange	\$ 522,754
Woodbridge	<u>\$ 318,237</u>
<b>Total</b>	<b>\$1,062,139</b>

## APPENDIX D

### RECAP OF 2015-2016

#### **Return Unspent Fund Balance:**

*The cancellation of 2014-2015 encumbrances of \$1,035 will be returned to the Member Towns. We encumber funds for goods and services received by June 30<sup>th</sup> but not yet billed. In some cases, the estimated amount encumbered varies from the actual invoice (e.g., utility bill; water bill) and we do not need to spend the entire encumbrance. Once the audit is final for 2015-2016, the funds will be returned.*

<i>Bethany</i>	<i>\$ 215</i>
<i>Orange</i>	<i>\$ 509</i>
<i>Woodbridge</i>	<i><u>\$ 310</u></i>
<i>Total</i>	<i>\$1,035</i>

The audited fund balance for 2015-2016 is \$1,319,839. The Amity Board of Education previously voted to designate \$427,713 for Capital Improvement Projects. There are two other funding requests for discussion at the August 8, 2016 meetings of the Amity Finance Committee and the Amity Board of Education meetings.

#### **FINANCIAL MANAGEMENT:**

**\$ 318,642**

Our efforts to foster a District culture of finding cost savings and efficiencies has been successful producing savings of \$136,911. Utilities for electricity, heating oil and natural gas were below budget due to many conservation efforts and price negotiations.

#### **SPECIAL EDUCATION (NET)**

**\$ 350,967**

These accounts are extremely difficult to forecast. As examples, special need students can be hospitalized; move into the district or leave the district at any time; withdraw from Amity and enroll in Adult Education. Several students who were budgeted to be outplaced were not for a number of reasons. Any one of these events can have a significant impact, positive or negative, on the District's special education expenditures. The State reimbursement rate fluctuates throughout the year. The budget forecasted 75% reimbursement rate and the final rate was 77.63%.

#### **OTHER:**

**\$ 650,230**

**\$395,748:** "Turnover savings" from replacing teachers and other staff who retired or resigned is over budget and savings from unpaid leaves-of-absence. Athletic salaries were down from unfilled coaching positions at the middle school including cheerleading and several assistant coaching positions. Teacher coverages, summer work costs, substitute costs, degree changes and homebound services were less than anticipated.

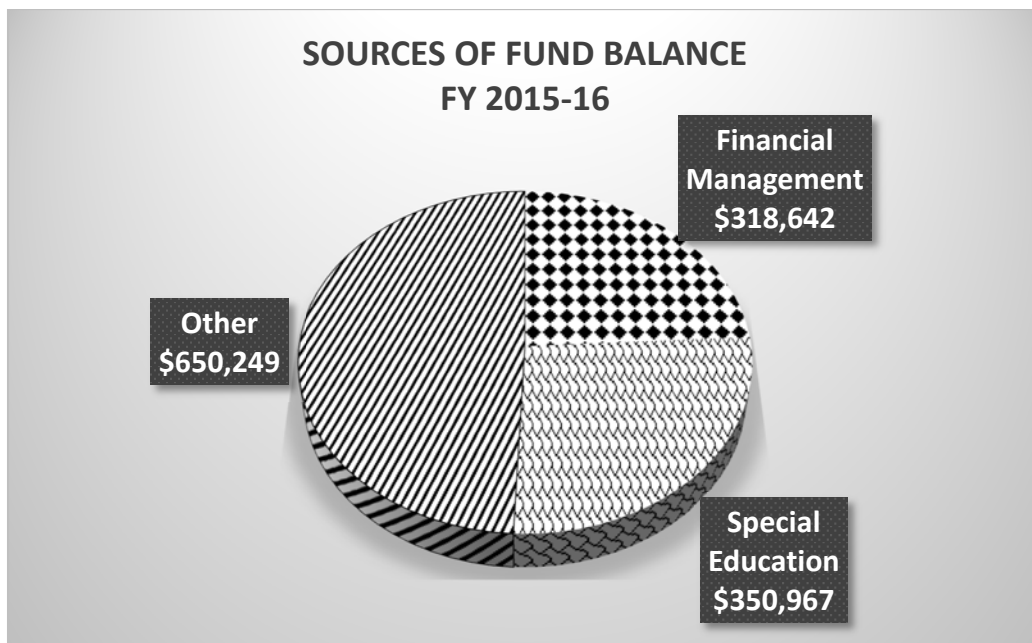
**\$30,315:** The bid price for workers' compensation insurance premium was under budget. The payroll audit premium was below budget.

**\$107,099:** Purchased services costs were lower due to a number of factors. There were less interns than anticipated. Fewer home athletic contests at the high school which required fewer officials, monitors, and scorekeepers; and less than anticipated need for psychiatric consults, professional's attendance at PPTs and behavior specialists' services.

**\$62,385:** The bid for the stone coping repair project at Amity Regional High School was under budget.

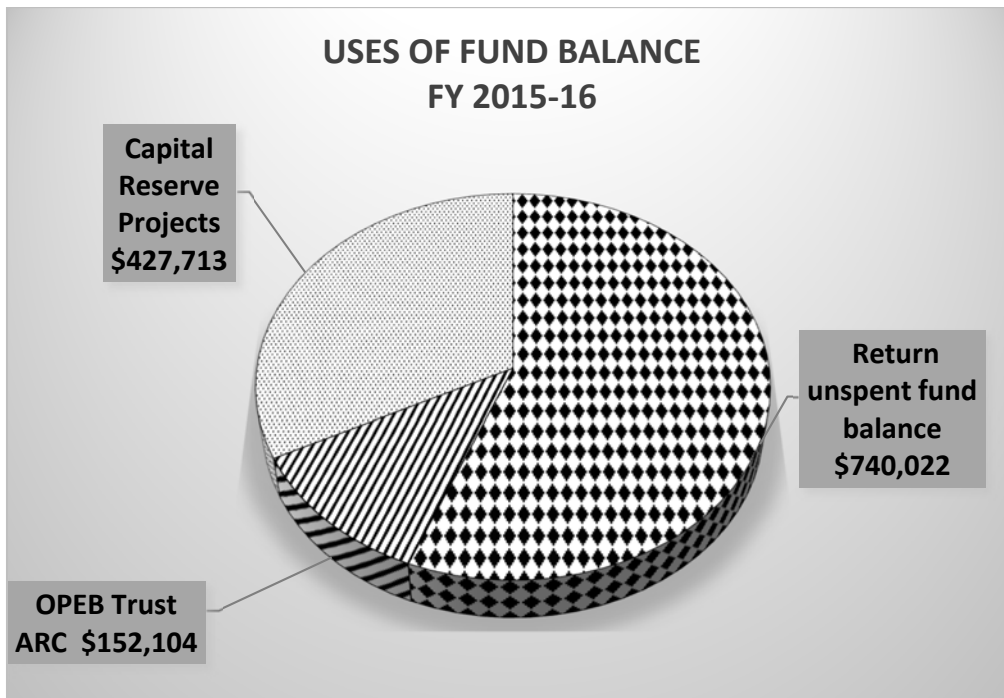
**\$42,438:** Transportation costs were less for athletics and less diesel fuel was used for all bus services than anticipated.

The primary sources of the fund balance are shown graphically below:



1. **\$740,022** – Return of unspent fund balance pending audit presentation
2. **\$152,104** - Designated for the 2015-2016 OPEB Trust ARC
3. **\$427,713** -Transferred into the Reserve Fund for Capital and Nonrecurring Expenses for a variety of projects. The projects include a lighting retrofit, replacing custodial equipment, renovating gym bleachers, replacing stairwell doors, replacing flooring and drinking fountains.

The uses of the fund balance are shown graphically below:



**Return Unspent Fund Balance:**

The *audited* unspent fund balance will be returned to the Member Towns, as follows:

Bethany	\$ 154,065
Orange	\$ 365,549
Woodbridge	<u>\$ 220,408</u>
<b>Total</b>	<b>\$ 740,022</b>

## APPENDIX E

### RECAP OF 2016-2017

#### **Return Unspent Fund Balance:**

*The cancellation of 2015-2016 encumbrances of \$25,133 will be returned to the Member Towns. We encumber funds for goods and services received by June 30<sup>th</sup> but not yet billed. In some cases, the estimated amount encumbered varies from the actual invoice (e.g., utility bill; water bill) and we do not need to spend the entire encumbrance. Once the audit is final for 2016-2017, the funds will be returned.*

<i>Bethany</i>	<i>\$ 5,232</i>
<i>Orange</i>	<i>\$ 12,415</i>
<i>Woodbridge</i>	<i><u>\$ 7,486</u></i>
<i>Total</i>	<i><u>\$ 25,133</u></i>

The audited fund balance for 2016-2017 is \$1,793,498. These source of the available funds are described below.

#### **FINANCIAL MANAGEMENT:**

**\$ 246,520**

Our efforts to foster a District culture of finding cost savings and efficiencies has been successful producing savings of \$55,152. Utilities for electricity, heating oil and natural gas were below budget by \$191,368 due to many conservation efforts and price negotiations.

#### **SPECIAL EDUCATION (NET)**

**\$ 477,890**

These accounts are extremely difficult to forecast. As examples, special need students can be hospitalized; move into the district or leave the district at any time; withdraw from Amity and enroll in Adult Education. Several students who were budgeted to be outplaced were not for a number of reasons. Some transportation needs were coordinated with the elementary districts to reduce the number of singletons on busses for outplacements. Any one of these events can have a significant impact, positive or negative, on the District's special education expenditures. The State reimbursement rate fluctuates throughout the year. Expenses were down \$790,238 which reduced revenue by \$477,890. The budget forecasted 70% reimbursement rate and the final rate was 76.9%.

#### **SALARIES, MEDICAL, PURCHASED SERVICES (OTHER):**

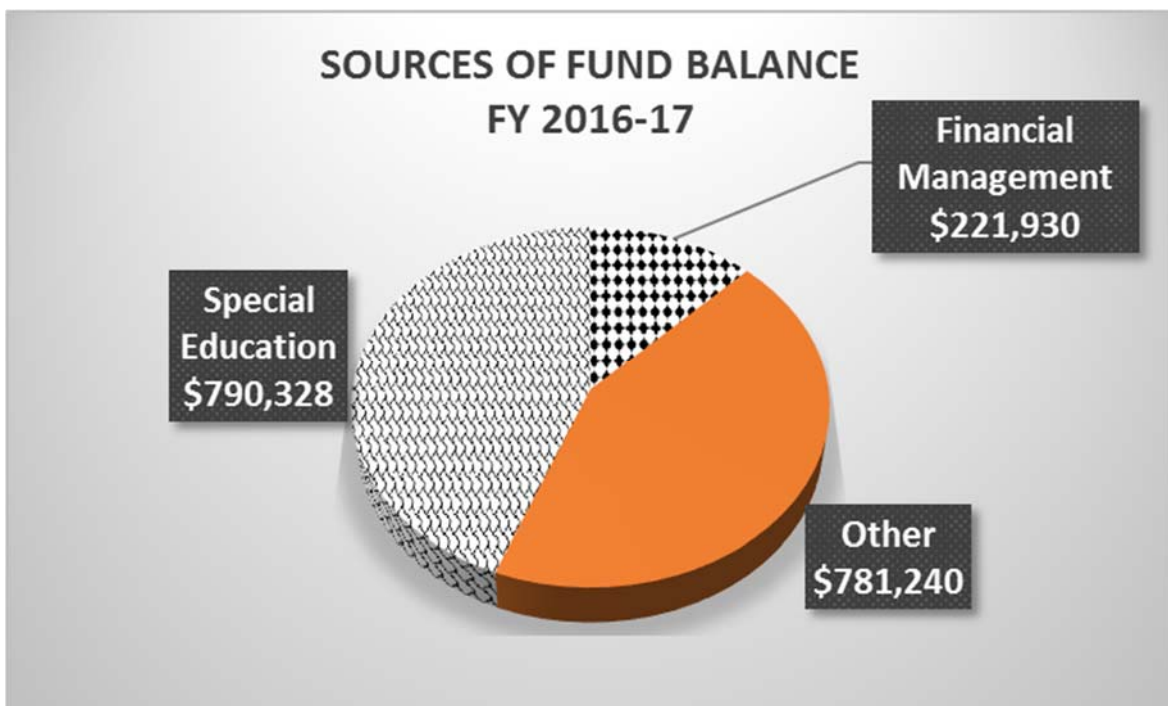
**\$ 756,654**

**\$230,437 SALARIES (OTHER):** "Turnover savings" from replacing teachers and other staff who retired or resigned is over budget and savings from unpaid leaves-of-absence. Athletic salaries were down from unfilled coaching positions at the middle school including cheerleading and several assistant coaching positions. Teacher coverages, summer work costs, substitute costs, degree changes and homebound services were less than anticipated.

**\$351,480 MEDICAL (OTHER):** The net balance of the medical account was under budget. Claims and fees were lower than budgeted. The savings was offset by other components of the account including employer contributions to HSA accounts, retiree payments, and employee co-share contributions.

**\$113,767 PURCHASED SERVICES (OTHER):** Purchased services costs were lower due to a number of factors. There were less interns than anticipated. Fewer home athletic contests at the high school which required fewer officials, monitors, and scorekeepers; and less than anticipated need for psychiatric consults, professional's attendance at PPTs and behavior specialists' services.

The primary sources of the fund balance are shown graphically below:

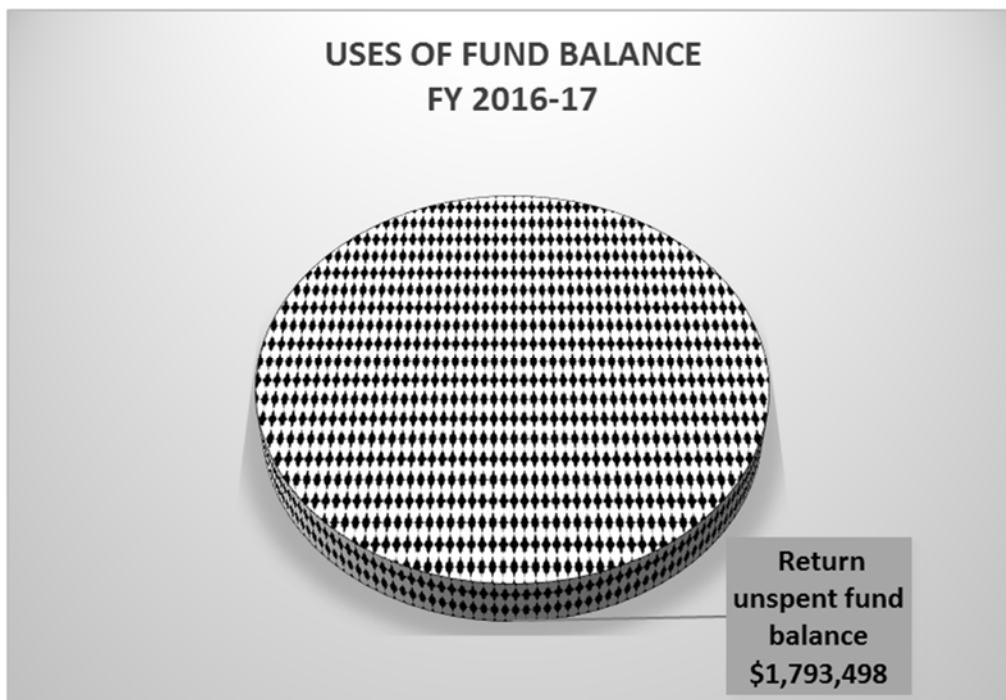




The Board of Education approved uses of the fund balance are, as follows:

1. **\$1,793,498** - Return of unspent fund balance per audit.

The uses of the fund balance are shown graphically below:



**Return Unspent Fund Balance:**

The *audited* unspent fund balance will be returned to the Member Towns, as follows:

Bethany	\$ 365,676
Orange	\$ 874,151
Woodbridge	<u>\$ 553,671</u>
<b>Total</b>	<b>\$1,793,498</b>

Amity Regional School District No. 5 - Budget Transfers 2017-2018

<u>MONTH/YR</u>	<u>JNL#</u>	<u>ACCOUNT NUMBER &amp; DESCRIPTION</u>		<u>AMOUNT</u>	<u>DESCRIPTION</u>
August 2017	137	03111001	5611 INSTRUCTIONAL SUPPLIES	\$ -2,483.74	REVISED AP ART NEEDS NEW TXTBK
August 2017	137	03111001	5641 TEXTBOOKS	\$ 2,483.74	REVISED AP ART NEEDS NEW TXTBK
September 2017	3	03113202	5420 REPAIRS,MAINTENANCE & CLEANING	\$ -2,100.00	Steel Volleyball Upright
September 2017	3	03113202	5731 EQUIPMENT - REPLACEMENT	\$ 2,100.00	Steel Volleyball Upright
September 2017	94	05142700	5512 VO-AG/VO-TECH REG ED	\$ -77.00	TRANSPORTATION ECA
September 2017	94	05142700	5515 OUT DISTRICT - PUBLIC REG ED	\$ 77.00	TRANSPORTATION ECA
September 2017	109	03111009	5641 TEXTBOOKS	\$ -1,020.00	COMPUTER COST INCREASE-CDW
September 2017	109	05142350	5690 OTHER SUPPLIES	\$ 1,020.00	COMPUTER COST INCREASE-CDW
September 2017	121	04132140	5690 OTHER SUPPLIES	\$ 275.00	TESTING MATERIALS
September 2017	121	04132190	5590 OTHER PURCHASED SERVICES	\$ -275.00	TESTING MATERIALS
September 2017	304	03113202	5690 OTHER SUPPLIES	\$ -296.00	wires for field speakers
September 2017	304	03142600	5613 MAINTENANCE/CUSTODIAL SUPPLIES	\$ 296.00	wires for field speakers
October 2017	41	05142600	5690 OTHER SUPPLIES	\$ 354.00	SCHOOLDUDE
October 2017	41	03142600	5420 REPAIRS,MAINTENANCE & CLEANING	\$ -354.00	SCHOOLDUDE
October 2017	228	04121200	5611 INSTRUCTIONAL SUPPLIES	\$ -138.00	CHROME APPS
October 2017	228	04121200	5690 OTHER SUPPLIES	\$ 138.00	CHROME APPS
November 2017	51	03132220	5810 DUES & FEES	\$ -251.00	Replacement Chairs
November 2017	51	03132220	5690 OTHER SUPPLIES	\$ 251.00	Replacement Chairs
November 2017	52	04121200	5611 INSTRUCTIONAL SUPPLIES	\$ -6.00	Shipping Costs
November 2017	52	04122150	5611 INSTRUCTIONAL SUPPLIES	\$ 6.00	Shipping Costs
November 2017	96	03111001	5731 EQUIPMENT - REPLACEMENT	\$ 1,200.00	REPLACE POTTERY WHEEL
November 2017	96	03111001	5611 INSTRUCTIONAL SUPPLIES	\$ -1,200.00	REPLACE POTTERY WHEEL

# AMITY REGIONAL SCHOOL DISTRICT NO. 5

*Bethany Orange Woodbridge*  
*25 Newton Road, Woodbridge Connecticut 06525*



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*Theresa Lumas*  
*Director of Finance and Administration*  
[terry.lumas@reg5.k12.ct.us](mailto:terry.lumas@reg5.k12.ct.us)

*Phone (203) 397-4813*  
*Fax (203) 397-4864*

To: Dr. Charles S. Dumais, Superintendent of Schools  
From: Theresa Lumas, Director of Finance and Administration  
Re: Budget Transfers over \$3,000 - **Fiscal Year 2017-2018**  
Date: December 7, 2017

I recommend the Amity Finance Committee and Amity Board of Education approve the following budget transfer request(s):

## **Special Education:**

Costs for tuition and services at outplacement at public facilities are higher than anticipated. Changes in student population and student needs are driving the costs. I am requesting funds be transferred from tuition line for private outplacements.

## **For the Amity Finance Committee:**

*Recommend the Amity Board of Education approve the following budget transfer to cover tuition and services for outplaced students at public facilities.*

## **For the Amity Board of Education:**

*Move to approve the following budget transfer to cover tuition and services for outplaced students at public facilities.*

ACCOUNT NUMBER	ACCOUNT NAME	FROM	TO
04-12-6117-5560	Tuition – Regular – Public	\$11,500	
04-12-6110-5560	Tuition - Public Out		\$11,500

## **Electrical Engineering:**

One of our main electrical panels tripped during the Micro Grid testing. It is not attributable to the micro grid. We were able to reset during testing because United Illuminating was on site to

evaluate the breaker. The cause of the 1600-amp breaker trip is unknown so we had vanZelm Engineers prepare a preliminary evaluation. Both vanZelm and UI have advised that we undertake a Short Circuit and Coordination (SC&C) Study and Arc Flash Hazard Analysis for Amity High School. This study will provide the data necessary to test and calibrate the breaker.

**For the Amity Finance Committee:**

***Recommend the Amity Board of Education approve the following budget transfer to cover the electrical engineering study for 1600-amp breaker.***

**For the Amity Board of Education:**

***Move to approve the following budget transfer to cover electrical engineering study for 1600-amp breaker.***

<b>ACCOUNT NUMBER</b>	<b>ACCOUNT NAME</b>	<b>FROM</b>	<b>TO</b>
05-14-2600-5715	Contingency – Facilities	\$19,800	
03-14-2600-5330	Professional Technical Services		\$19,800

**AMITY REGIONAL SCHOOL DISTRICT NO. 5 BOARD OF EDUCATION  
NOVEMBER 20, 2017 POLICY COMMITTEE MEETING MINUTES**

Page 1 of 3

*A meeting of the Policy Committee of the Amity Regional Board of Education  
was held on November 20, 2017 at 5:30 p.m. in the District Office Conference Room.*

**COMMITTEE MEMBERS PRESENT:** Chairperson Diane Urbano, Ms. Paula Cofrancesco, Ms. Sue Cohen, Mr. Thomas Hurley, and Ms. Sheila McCreven

**COMMITTEE MEMBERS ABSENT:** None

**STAFF MEMBERS PRESENT:** Dr. Charles Dumais

**1. CALL TO ORDER**

Chairperson Urbano called the meeting to order at 5:47 p.m.

**2. APPROVAL OF POLICY COMMITTEE MEETING MINUTES – October 23, 2017 (Enclosure)**

*Motion by Mr. Hurley to approve the minutes as amended.*

Vote in favor, 4-0 (Ms. Cofrancesco, Ms. Cohen, Mr. Hurley, and Ms. McCreven)

Motion carried

**3. PUBLIC COMMENT**

None

**4. DISCUSSION AND POSSIBLE ACTION ON RECONSIDERED ITEMS FROM OCTOBER 23, 2017 POLICY COMMITTEE MEETING**

**Policy 1311.2**

*Motion by Ms. Cohen to not recommend Policy 1311.2*

Vote in favor, 4-0 (Ms. Cofrancesco, Ms. Cohen, Mr. Hurley, and Ms. McCreven)

Motion carried

**AMITY REGIONAL SCHOOL DISTRICT NO. 5 BOARD OF EDUCATION  
NOVEMBER 20, 2017 POLICY COMMITTEE MEETING MINUTES**

Page 2 of 3

**Policy 1313**

*Motion by Mr. Hurley to bring Policy 1313 to the table for the purpose of moving it to the next regular Board of Education meeting for a first read as is*

Vote in favor, 4-0 (Ms. Cofrancesco, Ms. Cohen, Mr. Hurley, and Ms. McCreven)

Motion carried

Discussion

*Motion by Ms. McCreven to move the question*

Vote in favor, 4-0 (Ms. Cofrancesco, Ms. Cohen, Mr. Hurley, and Ms. McCreven)

Motion carried

**Policy 1411**

*Motion by Mr. Hurley to move Policy 1411 back into regular sequence*

Vote in favor, 4-0 (Ms. Cofrancesco, Ms. Cohen, Mr. Hurley, and Ms. McCreven)

Motion carried

**5. DISCUSSION AND POSSIBLE ACTION ON SELECT POLICIES IN 1000 SERIES**

**Policy 1312**

Committee decided to move Policy 1312 to the next regular Board of Education meeting for a second read as is. No action is required.

**Policy 1313.1**

Committee decided to not consider Policy 1313.1.

**Policy 1314**

*Motion by Mr. Hurley to move Policy 1314 to first read for the Superintendent to edit the wording*

*Motion by Ms. McCreven to table Policy 1314 to the next Policy Committee meeting*

Vote in favor, 4-0 (Ms. Cofrancesco, Ms. Cohen, Mr. Hurley, and Ms. McCreven)

Motion carried

**Policy 1315**

*Motion by Mr. Hurley to not consider Policy 1315*

Vote in favor, 4-0 (Ms. Cofrancesco, Ms. Cohen, Mr. Hurley, and Ms. McCreven)

Motion carried

AMITY REGIONAL SCHOOL DISTRICT NO. 5 BOARD OF EDUCATION  
NOVEMBER 20, 2017 POLICY COMMITTEE MEETING MINUTES

Page 3 of 3

6. **OTHER**

None

7. **ADJOURN**

*Motion by Mr. Hurley to adjourn at 6:58 pm.*

Vote in favor, 4-0 (Ms. Cofrancesco, Ms. Cohen, Mr. Hurley, and Ms. McCreven)

Motion carried

Respectfully submitted,

Pamela Pero  
Recording Secretary

## **Community Relations**

### **Gifts to School Personnel**

The members of the Board of Education and its employees wish to avoid any conflict between their personal interests and the interests of the school district in dealing with suppliers, contractors, and all organizations or individuals doing or seeking to do business with the school district.

Although it is customary for some suppliers to give gifts to customers' employees at different times which are not of more than nominal value, and are not intended to influence in any manner the school district's procurement practices, the Board of Education requests that suppliers or potential suppliers do not offer gifts to individuals connected with the school district.

### **Gifts**

No Board member or employee shall directly or indirectly solicit any gift; or accept or receive any gift having a value of twenty-five dollars (\$25) or more, whether in the form of money, services, loan, travel, entertainment, hospitality, article or promise, or any other form, under circumstances in which it could be reasonably inferred that the gift was intended to influence the Board member or employee in the performance of his/her official duties or was intended as a reward for any official action on his/her part.

Legal Reference:        Connecticut General Statutes

7-479

Conflicts of interest.



*Sample policy to consider.*

## **Community Relations**

### **Fund-Raising and Solicitation**

Fund-raising shall be authorized under conditions that do not conflict with instructional programs. Fund-raising refers to the raising of non-appropriated funds that supplement, but do not supplant, public funding for the educational benefit of students and the schools.

Fund-raising shall be permitted by students, provided such activities are approved in writing and carefully monitored and regulated by the school Principal or a designee.

Each Principal shall develop and maintain a list of all approved fund-raising activities and report all activities to the Superintendent pursuant to procedures issued by the Superintendent.

Crowdfunding (through sites including, but not limited to, AdoptAClassroom.org, GoFundMe.com, DonorsChoose.org, or IncitED) by employees is not permitted without the express written permission of the Superintendent.

No organization or individual shall solicit funds, sell memberships or articles, or in any other way collect or seek to collect money from the employees of the school system except with the approval of the Superintendent.

Policy adopted:

rev 7/98

rev 2/06

*Sample policy to consider.*

## **Community Relations**

### **Citizens' Advisory Committees**

The Board of Education endorses appropriate advisory committees for various district programs and activities. When it establishes a committee, the Board shall provide guidelines for membership and delineate its responsibilities and authority. At the October Board meeting each year, the Board shall review existing advisory committees, membership, and committee goals for the year.

(cf. 1312 - Public Complaints)

(cf. 5145.2 - Freedom of Speech/Expression)

(cf. 6144 - Controversial Issues)

(cf. 6161 - Equipment, Books, Materials: Provision/Selection)

Legal Reference:      Academic Freedom Policy (adopted by Connecticut State Board of Education, 9/9/81)

Policy adopted:

## **Community Relations**

### **Citizen's Advisory Committee for Adult Education**

#### **Article I: Name**

The name of this organization shall be the Citizens' Advisory Committee for Adult Education.

#### **Article II: Object**

This organization shall be an advisory body, assisting the Board of Education through the Superintendent and Director of Community Education in the formulation, promotion and evaluation of the overall program.

#### **Article III: Policies**

1. This Committee shall be noncommercial, nonsectarian, and nonpartisan. Neither the name of the Committee nor the names of its officers in their official capacities shall be used in connection with any commercial concern.
2. This Committee shall not assume administrative authority or direct the administrative activities of the Program. However, it may develop and submit recommendations relative to program, policies, or practices to the Director.
3. This Committee may cooperate with other organizations and agencies engaged in continuing education.

#### **Article IV: Membership**

1. Nomination for membership to the Committee shall be made by the Director of Community Education and the Superintendent of Schools. The Director shall solicit candidates from civic and industrial organizations of the community, interested adults, and present and past students of the Adult Education Program.
2. The Board of Education shall appoint the members of the Committee as vacancies occur, upon nomination by the Superintendent of Schools.
3. The Committee shall consist of twelve members, four each from Bethany, Orange, and Woodbridge, who shall serve for a period of three years. Four of the members shall be appointed on succeeding years.

## **Community Relations**

### **Citizen's Advisory Committee for Adult Education**

#### **Article IV: Membership (continued)**

4. The Director of the Program shall be an ex-officio member of the Committee, the Executive Board, and all standing committees.
5. Resignation of membership shall be submitted to the Secretary in writing whereupon the resignation shall become effective immediately.

#### **Article V: Officers and Their Election**

1. The officers of this Committee shall be a Chairperson, a Vice-Chairperson, and a Secretary. The officers shall be elected by ballot or by voice at the annual meeting to be held not later than July 1. Officers shall serve for a term of one year, July 1 to June 30, and shall assume their official capacities on July 1. No officer shall serve in more than one office at the same time.
2. The Executive Board shall appoint a successor pro-tem for any vacancy in an elected office. Such appointment must be considered for confirmation at the next Committee meeting and only ratified by a majority vote of the Committee. If the Executive Board is unable to appoint a successor, a majority of the Committee shall do so. This appointment shall be voted on by Committee members at the next regular meeting. In case a vacancy occurs in the Office of the Chairperson, the Vice-Chairperson shall assume the duties of the Chairperson for the balance of the term of office.

#### **Article VI: Duties of Officers**

1. The Chairperson shall preside at all meetings of the Committee and of the Executive Board, shall be a member ex-officio of all committees, and shall perform all other duties usually pertaining to his/her office.
2. The Vice-Chairperson shall act as aide to the Chairperson and shall perform all other duties usually pertaining to his/her office.
3. The Secretary shall keep a correct record of all meetings of the Committee, and of the Executive Board, and shall be in charge of all communications from the Committee, and the Executive Board. The Secretary shall be responsible for each meeting.

## **Community Relations**

### **Citizen's Advisory Committee for Adult Education (continued)**

#### **Article VII: Meetings**

1. A minimum of two Committee meetings shall be held each school year, November and May. Notices of all meetings shall be sent out one week in advance. Special meetings may be called by the Executive Board.
2. A majority shall constitute a quorum.

#### **Article VIII: Executive Board**

The Executive Board shall consist of the elected officers.

#### **Article IX: Standing Committees**

1. Standing Committees shall be created by the Chairperson with the approval of the Committee as may be required to promote its purposes. Standing committees will be dissolved upon completion of their assignments.
2. The Chairperson of all standing committees shall present plans of work to the Citizens' Advisory Committee.

#### **Article X: Amendments**

The constitution or the bylaws of the Committee may be amended at any meeting of the Committee by a two-thirds vote of the entire membership, and by approval of the Board of Education. Any member may offer an amendment, but first it must be presented in writing to the Secretary.

*A sample policy to consider.*

## **Community Relations**

### **Other School-Connected Organizations**

#### **Parent Organizations and Booster Clubs**

Parent organizations and booster clubs are invaluable resources to the District's schools. The Board of Education recognizes that parent organizations and extracurricular support groups, or "booster clubs" provide important support to District schools, and can be valuable means of stimulating community interest in the aims and activities of District schools. Support organizations may be defined in two ways:

1. an organization which is created to foster community support and provide resources for a particular sport or activity in the school or school system; or
2. an organization which is created to foster community support and raise funds for the school's general extracurricular program.

While parent organizations and booster clubs have no administrative authority and cannot determine District policy, the Board welcomes their suggestions and assistance.

Parent organizations and booster clubs are recognized by the Board of Education and permitted to use the District's name, a District school's name, or a District school's team name, or any logo attributable to the District provided they first receive the Superintendent or designee's express written consent. Consent to use one of the above-mentioned names or logos will generally be granted if the organization or club has bylaws containing the following:

1. The organization's or club's name and purpose, such as, to enhance students' educational experiences, to help meet educational needs of students, to provide extra athletic benefits to students, to assist specific sports teams or academic clubs through financial support, or to enrich extracurricular activities.
2. The rules and procedures under which it operates.
3. An agreement to adhere to all Board policies and administrative procedures.
4. A statement that membership is open and unrestricted, meaning that membership is open to parents/guardians of students enrolled in the school, district staff, and community members or an agreement not to engage in discrimination based on someone's innate characteristics or membership in a suspect classification.
5. A statement that the District is not, and will not be, responsible for the organization's or club's business or the conduct of its members.
6. An agreement to maintain and protect its own finances. The group must maintain bank, financial, and tax exempt status separate from the school or District. The organization will provide to the Board annually or upon request a complete set of financial records or detailed treasurer's report.

## **Community Relations**

### **Other School-Connected Organizations**

#### **Parent Organizations and Booster Clubs** (continued)

7. A recognition that money given to a school cannot be earmarked for any particular expense. Booster clubs may make recommendations, but cash or other valuable consideration must be given to the District to use at its discretion. The Board of Education's legal obligation to comply with Title IX by providing equal athletic opportunity for members of both genders will supersede an organization or club's recommendation.

Parents and other interested community members who wish to organize a parent organization or booster club for the purpose of supporting a specific school program or activity are encouraged to do so as long as the activities of such organizations do not interfere unduly with the total educational program or disrupt District operations in any way. To this end, parent organizations/booster club/support organizations must follow these guidelines:

1. be voluntary;
2. submit an activity schedule in advance to the Superintendent of Schools or his/her designee for prior approval. Any time a booster club uses the name of the District or any language suggesting that the District has endorsed, sponsored or otherwise approved of the club's activities, there must be prior approval by the Superintendent or his/her designee;
3. seek advance approval for any use of school facilities and/or equipment and such use will comply with all policies and regulations established by the Board;
4. avoid interference with any previously approved student activity;
5. seek approval in advance of all fundraising activities by the Superintendent or building Principal;
6. understand and respect the authority of District employees in the administration of their duties; and
7. assume all financial responsibility for the booster club, including but not limited to the provision of adequate insurance coverage, as appropriate.

If a booster club wishes to make a contribution of money, service time or tangible property such as equipment or supplies, a representative of the organization should first meet with the Superintendent or his/her designee. The Superintendent or his/her designee must identify the District's terms and conditions of accepting such gifts in concert with the District's policy pertaining to gifts, grants and bequests.

Booster club proposed plans, projects and other activities must be evaluated and promoted in light of their stated contribution to the academic as well as the extracurricular school programs.

Careful consideration should be given to the total value of the contribution to all students, and not just to specific student groups.

## Community Relations

### Other School-Connected Organizations

#### Parent Organizations and Booster Clubs (continued)

The Board retains final responsibility and authority on all activities which have an impact on students, school programs and/or school owned property.

Further, the Board recognizes its responsibility to ensure that equivalent benefits and services are provided to members of both sexes. Therefore, if booster clubs provide benefits, services or tangible property that assist only teams or programs of one gender, the Board shall ensure that teams or programs of the other gender receive equivalent benefits, services or tangible property. If a booster club provides benefits, services or tangible property which are greater than that which the District is capable of providing to the athletes or programs of the other gender, the administration shall take action, within policy parameters, to ensure equivalency for both sexes.

#### Alternative/Additional Language:

*The Board of Education is responsible for providing funding for the safe and effective operation of the interscholastic sports program. There may be occasions when Board funding is unavailable to provide everything requested by a coach. All booster club donations must be approved by the Superintendent of Schools or his/her designee (Board of Education) in advance to ensure equity in all sports. "Necessary" expenditures must be provided by the Board of Education through its approved budget. Items that would be "nice" or "beneficial" to have are viewed as appropriate for booster club financial support. Any booster club purchase or expenditure must receive the approval of the team's head coach and the Athletic Director following the aforementioned approval by the Superintendent of Schools or his/her designee (Board of Education).*

*The Board reserves the right to revoke approval of any booster group if it is found that the group's operations and purposes are inconsistent with Board policies.*

- (cf. 1110.1 - Parental Involvement)
- (cf. 1140 - Distribution of Materials by Students)
- (cf. 1210 - School Community Associations)
- (cf. 1323 - Gifts to Students)
- (cf. 1330 - Use of School Facilities)
- (cf. 3280 - Gifts, Grants and Bequests)
- (cf. 3281 - School Fund Raising)
- (cf. 3515 - Community Use of School Facilities)

Legal Reference: Title IX of the Educational Amendments of 1972, 20 U.S.C.A § 1681.

Policy adopted:



*A detailed sample regulation to consider/modify.*

## **Community Relations**

### **Other School-Connected Organizations**

#### **Booster Clubs/Organizations**

Booster organizations are important to the extracurricular activities provided for District students. Such organizations provide positive support to the students, the program, and the personnel in a particular program. Booster organizations shall comply with established guidelines in cooperation with the Superintendent or his/her designee. The following guidelines regulate booster organization within this District.

##### **1. Constitution/Bylaws/Officers**

Each booster organization involved with school activities or students shall develop and maintain a constitution and bylaws for the organization setting forth the purposes of the organization and the general rules and procedures by which it shall operate. A copy of the constitution and bylaws shall be forwarded to the Superintendent or his/her designee. Each booster organization shall submit a list of officers annually to the Superintendent or his/her designee.

##### **2. Fund Raising Activities**

Fund raising activities shall be requested in writing to the Building Principal, reviewed at the building level, approved by the Superintendent or his/her designee and conform to District guidelines. Two (2) major fund-raising activities involving students shall be permitted each year; exceptions may be granted by the Superintendent. Fund-raising activities may occur during the length of a particular athletic/sport season or as a special activity approved by the Superintendent or his/her designee. No student time during the regular school day shall be allowed for fund-raising activities for any booster organization. Student solicitation within the community for any booster organization shall be minimal.

##### **3. Permissible Awards**

An approved booster organization may purchase a sweater, jacket, blazer, blanket, shorts, jersey, cap, watch, ring, photograph, medal, plaque, or similar trophy with appropriate insignia of comparable identification, for an athlete, in recognition of his/her athletic performance, and present such awards at a time appropriate to such recognition.

##### **4. Insurance**

Each booster organization shall maintain insurance coverage recommended by the District for bodily injury and property damage. Proof of such coverage shall be submitted to the District's Business Office.

## **Community Relations**

### **Other School-Connected Organizations**

#### **Booster Clubs/Organizations (continued)**

##### **5. Audit/Treasurer's Report**

Each booster organization shall prepare an audit or treasurer's report at least once a year. A copy of the audit/treasurer's report shall be submitted to the Superintendent or his/her designee and forwarded to the Board of Education upon request.

##### **6. Use of Facilities**

Booster organizations requesting use of facilities and/or services shall initiate those requests with the Building Principal and in compliance with the District's policy on facility usage. No activity shall be permitted without such approval.

##### **7. Recognition Functions**

A booster club may sponsor athletic banquets to which student athletes may be invited without charging admission to such athlete.

A booster club planning a recognition event shall request permission of the Building Principal to conduct such an event and to clear the date for the event.

##### **8. Concessions**

Booster organizations involved in concessions at school events shall follow District guidelines.

##### **9. Expenditures for Equipment, Supplies, etc.**

All game uniforms shall be purchased by the District. The "game uniform" shall include any clothing, headgear or shoes that (a) display the school colors or logo (except shoes), (b) are purchased by the District, (c) are worn in warm-up for a contest, during the contest, or immediately subsequent to the contest, and (d) is intended to be collected by the school at the conclusion of the season. Ancillary gear and apparel such as coaching aid equipment items, shoes, bags or totes, etc., may, however, be purchased and/or donated by booster groups, corporate sponsors, or other non-school sanctioned entities. Items purchased or donated other than by the District must meet the criteria as defined below:

## **Community Relations**

### **Other School-Connected Organizations**

#### **Booster Clubs/Organizations**

#### **9. Expenditures for Equipment, Supplies, etc. (continued)**

- The donation/purchase of goods shall meet all policies and procedures of the District;
- The donation/purchase of goods shall adhere to all Board policies and guidelines;
- The donation/purchase of goods shall have the written approval of the Building Principal and Athletic Director prior to any deliberations commencing with a potential provider;
- Any donation of goods may not be in conflict with any District-level sponsorships that may be in effect;
- Any agreement or contract proposed shall be reviewed by the District's attorney and the Superintendent or his/her designee;
- Consideration must be given to the impact of booster organization purchases, donations or services on Title IX compliance. Approval will be based on maintaining the necessary equivalence of benefits and services to both genders.

#### **10. Compliance**

Should any situation emerge between a booster organization and the administration regarding the management of any school-related activity, the Superintendent or his/her designee shall resolve the issue within these established guidelines or Board policy. No booster organization shall engage in any activity outside these guidelines. Further, in conducting its activities, booster organizations shall comply with all state and federal laws, as applicable.

#### **Other language to consider:**

- *The organization may not use school materials in advertising its activities.*
- *All funds raised by the booster organization will be used to achieve the stated purposes and goals of the organization. No administrative fees or stipends to officers or others will be permitted.*
- *The booster organization must maintain bank, financial, and tax exempt status separate from the District.*

## **Community Relations**

### **Other School-Connected Organizations**

#### **Booster Clubs/Organizations** (continued)

- (cf. 1110.1 - Parental Involvement)
- (cf. 1140 - Distribution of Materials by Students)
- (cf. 1210 - School Community Associations)
- (cf. 1323 - Gifts to Students)
- (cf. 1330 - Use of School Facilities)
- (cf. 3280 - Gifts, Grants and Bequests)
- (cf. 3281 - School Fund Raising)
- (cf. 3515 - Community Use of School Facilities)

Legal Reference:      Title IX of the Educational Amendments of 1972

Regulation approved:

cps 1/01

rev 11/08

*An optional policy to consider.*

## **Community Relations**

### **Citizen Assistance to School Personnel**

One of the greatest resources for a school is to be found in the people of the community who have special knowledge and particular talents to contribute to the school program. Therefore, it is most important to build up the idea in the community that many adults in it have something in their experiences, understandings or philosophies that may make contributions to the program of the schools.

The Board of Education encourages the use of community resources and citizens to assist in furthering the educational program. Use of outside personnel and resources will be under regulations approved by the Superintendent of Schools.

Each principal will study the needs of his/her individual school, survey the resources available in his/her school community, weigh their probable usefulness, and then present to the Superintendent any plans the Principal may develop for using those community resources. The Superintendent should consider all such plans both on their merits and on their implications if they were to be carried out by other schools in the district.

Periodic reports will be made to the Board about such citizen assistance.

Policy adopted:

cps 4/09

*An optional policy to consider.*

## **Community Relations**

### **Public Activities Involving Staff, Students or School Facilities**

The Board of Education recognizes and approves the concept that the public schools should be community schools. The public, staff and students should all cooperate in the production of the best possible education for both youth and adult citizens. Although the education of our children must take precedence, adult activities also deserve the utmost consideration. Whenever possible and desirable, community use of school facilities will be encouraged and supported.

Regulations and rules have been developed to ensure that school facilities will accommodate community usage.

(cf. 1330 – Use of School Facilities)

Policy adopted:  
cps 7/07

*Sample policy to consider.*

## **Community Relations**

### **Staff Participation in Community Activities**

The Board of Education encourages staff members to become active participants in the activities of the community in which they live so long as these activities do not interfere with their responsibilities as school district employees. This involvement provides a community with better understanding of educational programs and gains support of better education for every student. Such activity, however, is not required for initial or continued employment or advancement.

Policy adopted:

## **Community Relations**

### **Political Activities of School Employees**

The \_\_\_\_\_ Board of Education recognizes the right of its employees, as citizens, to engage in political activity. However, the Board recognizes that school property and school time are paid for by all the people of the District, and should not be used for partisan political purposes, except as provided for in policies pertaining to the use of school facilities by civic and political organizations.

Prohibited activities include the posting of political circulars or petitions, collection or solicitation of campaign funds, solicitations for campaign workers, the use of students in writing or addressing campaign materials, and the distribution of campaign materials to students on District property or during school time in any manner which would indicate that a school employee is using a position in the school to further personal partisan views on candidates for public office or questions of public property. Teachers and other District employees will not attempt to influence students concerning political party affiliations and will not praise or denigrate any particular political party.

Nothing in this policy will be interpreted as prohibiting teachers from conducting appropriate activities that encourage students to become involved in the political processes of the party of the students' choice or as independents; nor does it prohibit the use of political figures as resource persons in the classrooms.

- (cf. 1140 – Distribution of Materials by Students)
- (cf. 1311.2 – Political Activities in the Schools/On School Board Property)
- (cf. 1330/3515 – Community Use of School Facilities)
- (cf. 3543.13 – Mail and Delivery)
- (cf. 4118.21 – Academic Freedom)
- (cf. 6144 – Controversial Issues)
- (cf. 6153.2 – Student Participation in Election Process)

Legal Reference:      Connecticut General Statutes  
                                  7-421 Political activities of classified municipal employees.  
                                  7-421b Limitation on restriction of political rights of municipal employees.  
                                  9-369b Explanatory text relating to local questions.  
                                  10-156e Employees of boards of education permitted to serve as elected officials; exception.  
                                  10-239 Use of school facilities for other purposes  
                                  31-51q Liability of employer for discipline or discharge of employee on account of employee's exercise of certain constitutional rights.  
                                  *Keyishian v. Board of Regents* 395 U.S. 589, 603 (1967)  
                                  Academic Freedom Policy (adopted by Connecticut State Board of Education, 9/9/81)  
                                  Equal Access Act, 20 U.S.C. ss 4071-4074

Policy adopted:

cps 1/06



*Existing policy, number 1150 adopted 6/13/05, appropriate as written except for addition of legal reference.*

## **Community Relations**

### **Communications with the Public**

#### **Responsibilities of Board Members and School Personnel**

It is the responsibility of each Board member, as well as each employee of the district, to exercise care when answering questions about the public schools. Individuals should answer questions only when they have full and complete understanding of the point about which they have been asked. If the employee or Board member is not prepared to answer accurately and fully, he/she should refer the inquirer to a staff member who would have the appropriate information.

All school personnel and Board members are encouraged to be informed on Board of Education policy and school policies and programs in order that they may better advance public understanding of the schools.

(cf. 9020 – Public Statements)

**Legal Reference:** Connecticut General Statutes

10-13 Making of reproductions

1-14 “Certified copy” defined. Evidence

1-16 Reproductions

1-17 Reproductions to serve purposes of originals

1-18 Disposition of original documents

1-200-1-241 Freedom of Information Act

10-220 Duties of boards of education.

Policy adopted:

AMITY REGIONAL SCHOOL DISTRICT NO. 5  
Woodbridge, Connecticut

*A version applicable to regional school boards, developed by Region No. 12.*

## **Community Relations**

### **Relations with the Board**

The Board of Education recognizes that as officials of the Regional Board, individual members are elected by the voters of a particular town. However, the Board is committed to conducting the District's business and fulfilling its responsibilities as a regional Board of Education. Therefore, a board member's primary responsibility is to serve the entire District. In addition to many other responsibilities, Board members should be responsive to the concerns expressed by the citizens of the community who elected them.

With this relationship established, it is the Board's position that the District and its citizens can best be served when problems that arise are resolved at the most immediate level of responsibility, or at an administrative level closest to the level of immediate responsibility.

The immediate responsibility concerning an individual student regarding educational matters is with the classroom teacher or subject teacher. Until such time a problem has been resolved, individuals should proceed through the next levels of responsibility until an understanding is reached. In most instances levels for responsibility proceed starting with the teacher to the school administrator, to the Superintendent of Schools, and to the Board of Education.

The immediate level for responsibilities regarding administrative matters is generally with the administrator of each school.

The immediate level for responsibility regarding the implementation of Board policies and District wide administrative matters is with the Superintendent of Schools.

The immediate level for responsibility regarding the formulation of Board policies and the establishment of rules and regulations as required by State law is with the Board of Education.

Finally, it is the Board's position that concerns expressed by individuals to individual Board members will be entertained by the Board after it has received sufficient evidence through its Superintendent of Schools that all means for resolving concerns at lower levels of responsibility have been exhausted, and that the parent(s) or citizen(s) involved have stated their concern in writing to the Chairperson of the Board of Education.

Policy adopted:  
cps 2/14

REGIONAL SCHOOL DISTRICT NO. 12  
Bridgewater - Roxbury - Washington

*Existing policy, number 1212 adopted 4/11/16, appropriate as written.*

## Community Relations

### School Volunteers

The Board of Education encourages the use of volunteers to: (1) increase students' educational attainment, (2) provide enrichment experiences for students, (3) increase the effective utilization of staff time and skills, (4) give more individual attention to students, and (5) promote greater community involvement.

The Superintendent shall establish procedures for securing and screening resource persons and volunteers. No person who is a "sex offender," as defined by Public Act 98-111, An Act Concerning the Registration of Sexual Offenders shall be used.

Volunteers ~~may be~~ who may be in an unsupervised situation with students are required to submit to state and federal criminal record checks and a record check of the Department of Children and Families (DCF) Child Abuse and Neglect Registry. No person required to register as a sex offender under state or federal law or whose name is listed on the DCF registry, may volunteer in any District school.

Principals shall ~~submit~~ maintain a quarterly list of all regular and/or occasional volunteers in the district (chaperones on field trips, aides, library and classroom volunteer assistance, grandparents, assistance at athletic events, field days, etc.) to the Superintendent of Schools.

Legal Reference:        Connecticut General Statutes

10-4g Programs to encourage participation in the educational process

10-235 Indemnification of teachers, board members, employees and certain volunteers and students in damage suits; expenses of litigation.

P.A. 97-290 An Act Enhancing Educational Choices and Opportunities

P.A. 98-111 An Act Concerning The Registration of Sexual Offenders

Policy adopted:

AMITY REGIONAL SCHOOL DISTRICT NO. 5  
Woodbridge, Connecticut

*Existing regulation, number 1212 approved 4/11/16, appropriate as written.*

## **Community Relations**

### **School Volunteers**

#### **Securing and Screening Volunteers**

The Building Principal or his/her designee directs the use of volunteers within the school. Specifically, the Principal or designee directs volunteer recruitment, screening, placement, and training within the following perimeters:

1. **Qualifications.** Volunteers may come from all backgrounds and all age groups. The main qualification for a volunteer is that he or she has a desire to give his or her time and talent in order to enrich student learning opportunities and the school community generally.
2. **Persons Not Allowed to Serve as Volunteers.** No person who is a “registered sex offender,” or is on the Department of Children and Families (DCF) Child Abuse and Neglect Registry may serve as a volunteer. Every time a new notification/online posting of registered sex offenders is received, the Building Principal or his/her designee shall review it for any person's name who has submitted a volunteer information form during that school year. Whenever someone submits a new volunteer information form, the Building Principal or designee shall review the sex offender list and DCF Child Abuse and Neglect Registry. The Building Principal may request a volunteer submit to a criminal background investigation if the individual will be working over a long period of time in direct contact with students where no staff member is continuously present or in other situations where a check would be prudent. No person convicted of a felony involving a minor or convicted of any felony within the past five years will be allowed to serve as a volunteer.
3. **Recruitment.** School personnel may recruit volunteers through the following resources: parent(s)/guardians, parent organizations, retired teachers and other senior citizen groups, community businesses, local volunteer centers, and universities. If a staff member, other than the Principal, recruits a volunteer, the staff member must provide the volunteer's name and address to the Principal.
4. **Role.** Volunteers serve only in an auxiliary capacity under the direction and supervision of a staff member; they are not a substitute for a member of the school staff. Volunteers do not have access to confidential student school records.
5. **Selection, Placement, and Supervision.** Volunteer selection and placement shall be on the basis of the volunteer's qualifications and availability and the school's needs. A volunteer will be assigned to a staff member only with the staff member's consent. The relationship between a volunteer and staff member should be one of mutual respect and confidence.

## Community Relations

### School Volunteers

#### Securing and Screening Volunteers (continued)

6. **Screenings.** Screening volunteers is critical because of the vulnerability of the population the school district serves. Each volunteer must register in the school's main office at the beginning of each visit and wear a name tag while in the building. Unless he or she has already done so during the current academic year, the volunteer must complete an information form and waiver. Absent an indication on the form that the volunteer may not qualify, e.g. the volunteer is a convicted felon, the volunteer may proceed to the assigned activity.

A request to volunteer or to continue volunteering will be denied if the volunteer behaves in any manner that demonstrates he or she is not a good role model or is otherwise detrimental to the school environment. Examples of such behavior include but are limited to: swearing, failing to be dependable, failing to follow the supervisor's instructions, committing any criminal act on school grounds or at a school activity, touching a student in a rude or overly forceful manner, failing to dress in an appropriate manner, or violating any school rule.

7. **Training.** Each academic year, when a person first completes the volunteer registration form, the Principal or designee should give the person a copy of this administrative procedure along with other pertinent information. The staff member to whom the volunteer is assigned is responsible for explaining his or her expectations of the volunteer. The Principal or designee should arrange appropriate training opportunities for those volunteer activities requiring a skill or knowledge base, e.g., working in the computer lab.

Regulation approved:

AMITY REGIONAL SCHOOL DISTRICT NO. 5  
Woodbridge, Connecticut

**AMITY REGIONAL SCHOOL DISTRICT #5 PUBLIC SCHOOLS**  
**Woodbridge, Connecticut**

**Volunteer Information Form and Waiver of Liability**

*Only one form needs to be completed by a volunteer each school year. Please print clearly in ink.*

**Information Form**

Name: \_\_\_\_\_  
*Last First Middle Telephone*

Address: \_\_\_\_\_  
*Street City Zip Code*

Personal physician: \_\_\_\_\_ Phone \_\_\_\_\_

Emergency adult contact: \_\_\_\_\_ Phone \_\_\_\_\_

Are you now or have you ever been a school volunteer? ☐ Yes ☐ No

At which school(s)? \_\_\_\_\_ Year(s)? \_\_\_\_\_

The name of any child or ward attending this school: \_\_\_\_\_

**Information Regarding Criminal Conviction, Placement on DCF Child Abuse and Neglect Registry or Sex Offender Registry**

- |  |                              |                             |
|--|------------------------------|-----------------------------|
| (a) Are you a sex offender listed on a state or federal sex offender registry? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| (b) Are you listed on any DCF Child Abuse and Neglect registry?                | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| (c) Have you been convicted of any felony involving a minor?                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| (d) Have you ever been convicted of a felony within the past five years?       | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| (e) Have you ever been convicted of a felony?                                  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

*If you answered YES to (a), (b), (c), or (d) above, you are **not** eligible to volunteer in our District schools in accordance with our school volunteer policy and regulations.*

If requested, are you willing to consent to a criminal background investigation? ☐ Yes ☐ No

*(The Superintendent or designee may request that a volunteer who works directly with a student(s) for extended periods of time without constant supervision of staff submit to a criminal background check or may similarly make such a request in other situations where a check would be prudent.)*

**Waiver of Liability**

The School District does not provide liability insurance coverage to non-district personnel serving as volunteers for the School District. The purpose of this waiver is to provide notice to prospective volunteers that they do not have insurance coverage by the School District and to document the volunteer's acknowledgment that they are providing volunteer service at their own risk. However, C.G.S. 10-235 provides that the district must indemnify and hold harmless volunteers from civil liability in most situations as long as the volunteer is approved by the Board of Education to carry out a duty prescribed by the Board and performs services under the direction of a certified teacher. Therefore, the district must pay any damages awarded to a plaintiff in an action brought alleging negligence or other act resulting in injury, including infringement of that person's civil rights.

**Volunteer Information Form and Waiver of Liability**

By your signature below:

1. You acknowledge that the School District does not provide insurance coverage for the volunteer for any loss, injuries, illness, or death resulting from the volunteer's unpaid service to the School District.
2. You agree to assume all risk for death or any loss, injury, illness or damage of any nature or kind, arising out of the volunteer's supervised or unsupervised service to the School District. agree to waive any and all claims against the School District, or its officers, Board Members, employees, agents or assigns, for loss due to death, injury, illness or damage of any kind arising out of the volunteer's supervised or unsupervised service to the School District.

Date: \_\_\_\_\_ Signature of Volunteer: \_\_\_\_\_

Printed Name of Volunteer \_\_\_\_\_

\*\*\*\*\*

**For School Use Only**

General description of assignment(s):

- supervising students as needed by a teacher
- supervising students during a regularly scheduled activity
- assisting with academic programs
- assisting at the resource center or main office
- other \_\_\_\_\_

Name of supervising staff member: \_\_\_\_\_

"Sex offender list" checked by \_\_\_\_\_ on \_\_\_\_\_ (mandatory).

Is a criminal background check necessary (the individual will be working over a long period of time in direct contact with students where no staff member is continuously present or in other situations where a check would be prudent such as chaperoning on overnight field trip)? ☐ Yes ☐ No

*(to be answered by Principal)*

If "yes," and provided the individual authorized the check,

- the date on which the check was requested? \_\_\_\_\_
- the date on which it was received and reviewed. \_\_\_\_\_

Reviewed by: \_\_\_\_\_

Signature

Date

*Existing policy, number 1250 adopted 6/13/05, appropriate as written  
except for addition of legal reference.*

## **Community Relations**

### **Visits to the Schools**

Any visitor to the schools should be directed to proceed to the main office or security desk. Permission may be granted to visit classrooms upon requests. Visitor passes will be issued by the office. Any person found in the building without a proper pass should be reported to the ~~office~~ security desk or authorized school personnel immediately.

Parents who come to school to discuss matters with teachers should be advised to make appointments. A teacher may properly refer to the office any parent who is without an appointment and who interferes in any way with a class or other scheduled activity.

The Board of Education and staff of the school system welcome and strongly encourage members of the community and other interested persons to visit the schools. School improvements often come from suggestions originating in such visits.

The Superintendent of Schools is authorized to establish such regulations as will:

1. Encourage visitors to observe our schools;
2. Require all visitors to register in the office of the Principal upon their arrival at the school;
3. Channel expressions of approval as well as constructive criticism to the Board;
4. Ensure that such visits will enhance the effect of the educational program rather than hinder it;  
and
5. Provide for appropriate hospitality for visitors.

### **Board Member Visits**

Board of Education members who visit schools of their own volition do so only as any other citizen. Board members have authority only in regularly called meetings of the Board, or when delegated specific tasks by Board action, which may take them into the schools.

### **Principal Authority to Ensure a Safe and Orderly Environment**

The Principal or her/his designee shall have complete authority to exclude from the school premises any persons whom s/he has reason to believe are disrupting the educational programs in the classroom or in the school, are disturbing the teachers or students on the premises, or whom the Principal believes are on the premises for the purpose of committing an illegal act.

(cf. 9030 - Limits of Authority)

Legal Reference: Connecticut General Statutes  
53a-185 Loitering in or about school grounds: Class C misdemeanor.

Policy adopted: AMITY REGIONAL SCHOOL DISTRICT NO. 5  
Woodbridge, Connecticut



*Existing policy, number 1251 adopted 6/13/05, appropriate as written.*

## **Community Relations**

### **Loitering or Causing Disturbance**

Any person is guilty of loitering on school grounds when he/she remains in or about a school building or grounds without license or privilege to be there. It is required all visitors register in the office of the Building Administrator. Staff members should be alert to the presence of unauthorized visitors and promptly report their presence to the Building Administrator.

(cf. 1250 - Visits to the Schools)

Legal Reference:       Connecticut General Statutes

53a-185 Loitering in or about school grounds; Class C misdemeanor.

Policy adopted:

AMITY REGIONAL SCHOOL DISTRICT NO. 5  
Woodbridge, Connecticut

*Existing policy, number 1312 adopted 6/11/07, appropriate as written.*

## **Community Relations**

### **Public Complaints**

Board of Education members shall refer persons making complaints about the schools to the most immediate level at which the problem can be resolved. Complainants shall be informed that if a problem is not resolved at this level, they are to follow the prescribed lines of organization to the Superintendent of Schools. Board of Education members shall inform the Superintendent of all such complaints.

Most complaints, e.g., those pertaining to discipline, instructional technique, grade placement, teacher assignment, scheduling, grading, etc., are handled by means of the prescribed means of organization as follows:

1. Faculty/Staff Member
2. Department Chairperson/Department Coordinator
3. Principal
4. Superintendent

### **Challenges to Curriculum or Instructional Materials**

When the public files a complaint about the curriculum or instructional materials, complainants are to follow the prescribed lines of organization. If the complaint is not resolved at the level of the Superintendent, the complainant may file a written complaint with the Chairman of the Board of Education. The Chairman shall ~~appoint a committee of the Board~~ refer the written complaint to the Curriculum Committee to evaluate the curriculum or instructional material. The committee shall issue its finding to the complainant.

A parent or legal guardian has the right to request that his/her child not read, view or hear ~~given material~~ any such curriculum provided a written request is made to the appropriate building principal. No parent or legal guardian has a right to deny access to instructional materials for students other than his/her own children.

### **Board of Education Hearings**

There are four circumstances involving students when the Board of Education conducts a hearing:

1. When residency is challenged by the district
2. Transportation disputes not resolved by the Superintendent
3. Expulsion
4. When the district does not allow a student to enroll (School accommodations)

(cf. 4118.21 - Academic Freedom)

(cf. 5145 - Freedom of Speech/Expression)

(cf. 6144 - Controversial Issues)

(cf. 6161 - Equipment, Books, Materials: Provisions/Selection)

## Community Relations

### Public Complaints (continued)

Legal Reference: *Keyishian v. Board of Regents* 385 U.S. 589 603 (1967)

President's Council, District 25 v. Community School Board No. 25 457 P. 2d 289 (1972). cert denied 409 U.S. 998 (1976)

*Minarcini v. Strongville City School District*, 541 P. 2d 577 ( Cir. 1976).

*Board of Education, Island Trees Union Free School District No. 26 v. Pico* 457 U.S. 853 (1982).

Academic Freedom Policy (adopted by Connecticut State Board of Education, 9/9/81).

Connecticut General Statutes

10-238 Petition for hearing by board of education.

Policy adopted:

AMITY REGIONAL SCHOOL DISTRICT NO. 5  
Woodbridge, Connecticut