

**HVERHILL COOPERATIVE SCHOOL DISTRICT**

**ANNUAL FINANCIAL REPORT**

**AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2014**

**DRAFT**

**HAVERHILL COOPERATIVE SCHOOL DISTRICT**  
**ANNUAL FINANCIAL REPORT**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2014**

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

See 2014 Opinion Letter

# DRAFT

**EXHIBIT C-1**  
**HAVERHILL COOPERATIVE SCHOOL DISTRICT**  
**Governmental Funds**  
**Balance Sheet**  
**June 30, 2014**

	General	Grants	Food Service	Other Governmental Funds (Haverhill Academy)	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 3,125	\$ 3,125
Accounts receivable	7,933	-	19,177	-	27,110
Intergovernmental receivable	589,228	105,495	29,316	-	724,039
Interfund receivable	134,497	-	-	-	134,497
Prepaid items	5,614	-	-	-	5,614
Total assets	<u>\$ 737,272</u>	<u>\$ 105,495</u>	<u>\$ 48,493</u>	<u>\$ 3,125</u>	<u>\$ 894,385</u>
<b>LIABILITIES</b>					
Cash overdraft	\$ 18,019	\$ -	\$ -	\$ -	\$ 18,019
Accounts payable	102,203	19	1	-	102,223
Accrued salaries and benefits	9,200	-	-	-	9,200
Interfund payable	-	86,005	48,492	-	134,497
Total liabilities	<u>129,422</u>	<u>86,024</u>	<u>48,493</u>	<u>-</u>	<u>263,939</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - advanced grant funding	-	19,471	-	-	19,471
<b>FUND BALANCES (DEFICIT)</b>					
Nonspendable	5,614	-	-	-	5,614
Restricted	-	-	-	3,125	3,125
Committed	415,253	-	-	-	415,253
Assigned	39,197	-	-	-	39,197
Unassigned	147,786	-	-	-	147,786
Total fund balances	<u>607,850</u>	<u>-</u>	<u>-</u>	<u>3,125</u>	<u>610,975</u>
Total liabilities, deferred inflows of resources, and fund balances (deficit)	<u>\$ 737,272</u>	<u>\$ 105,495</u>	<u>\$ 48,493</u>	<u>\$ 3,125</u>	<u>\$ 894,385</u>

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

**EXHIBIT C-2**  
**Haverhill Cooperative School District**  
**Reconciliation of Balance Sheet of Governmental Funds to the Statement of Net Position**  
**June 30, 2014**

Total fund balances of governmental funds (Exhibit C-1)	\$	610,975
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources, therefore, are not reported in the funds.		
Cost	\$	9,081,437
Less accumulated depreciation		<u>(2,861,799)</u>
		6,219,638
Interfund receivables and payables between governmental funds are eliminated on the statement of net position.		
Receivables	\$	134,497
Payables		<u>(134,497)</u>
		-
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		5,403
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the funds.		
Bonds/notes	\$	(2,309,753)
Capital leases		(4,976)
Compensated absences		<u>(292,850)</u>
		<u>(2,607,579)</u>
Net Position of governmental activities (Exhibit A)	\$	<u><u>4,228,437</u></u>

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

**EXHIBIT C-3**  
**Haverhill Cooperative School District**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2014**

	General	Grants	Food Service	Other Governmental Funds (Haverhill Academy)	Total Governmental Funds
<b>REVENUES</b>					
School district assessment	\$ 5,636,348	\$ -	\$ -	\$ -	\$ 5,636,348
Other local	1,487,629	68,194	154,966	10,913	1,721,702
State	5,272,864	-	3,763	-	5,276,627
Federal	383,653	471,309	171,987	-	1,026,949
Total revenues	<u>12,780,494</u>	<u>539,503</u>	<u>330,716</u>	<u>10,913</u>	<u>13,661,626</u>
<b>EXPENDITURES</b>					
Current:					
Instruction	8,016,591	453,291	-	3,774	8,473,656
Support services:					
Student	1,049,883	6,675	-	2,178	1,058,736
Instructional staff	315,589	22,325	-	-	337,914
General administration	94,958	-	-	-	94,958
Executive administration	534,965	5,277	-	-	540,242
School administration	764,513	-	-	-	764,513
Operation and maintenance of plant	942,007	49,941	-	-	991,948
Student transportation	508,787	2,990	-	1,836	513,613
Other	122,157	-	-	-	122,157
Noninstructional services	-	-	359,956	-	359,956
Debt service:					
Principal	328,475	-	-	-	328,475
Interest	17,705	-	-	-	17,705
Facilities acquisition and construction	3,559	-	-	-	3,559
Charter school	11,118	-	-	-	11,118
Total expenditures	<u>12,710,307</u>	<u>540,499</u>	<u>359,956</u>	<u>7,788</u>	<u>13,618,550</u>
Excess (deficiency) of revenues over (under) expenditures	<u>70,187</u>	<u>(996)</u>	<u>(29,240)</u>	<u>3,125</u>	<u>43,076</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	29,240	-	29,240
Transfers out	(29,240)	-	-	-	(29,240)
Total other financing sources and uses	<u>(29,240)</u>	<u>-</u>	<u>29,240</u>	<u>-</u>	<u>-</u>
Net change in fund balances	40,947	(996)	-	3,125	43,076
Fund balances (deficit), beginning	566,903	996	-	-	567,899
Fund balances, ending	<u>\$ 607,850</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,125</u>	<u>\$ 610,975</u>

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

**EXHIBIT C-4**  
**Haverhill Cooperative School District**  
**Reconciliation of the Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances of Governmental Funds to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2014**

Net change in fund balances of total governmental funds (Exhibit C-3)	\$	43,076
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. In the Statement of Activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capitalized capital outlay in the current period.		
Capitalized capital outlay	\$	86,545
Depreciation expense		<u>(297,381)</u>
		(210,836)
Transfers in and out between governmental funds are eliminated on the Statement of Activities.		
Transfers in	\$	29,240
Transfers out		<u>(29,240)</u>
		-
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Principal repayment of bond	\$	328,475
Principal repayment of capital leases		<u>8,775</u>
		337,250
Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.		
Decrease in accrued interest expense	\$	1,028
Increase in compensated absences payable		<u>(7,970)</u>
		(6,942)
Change in net position of governmental activities (Exhibit B)	\$	<u><u>162,548</u></u>

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



**EXHIBIT D-1**  
**Haverhill Cooperative School District**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2014**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
School district assessment	\$ 5,636,348	\$ 5,636,348	\$ -
Other local	1,573,432	1,487,593	(85,839)
State	5,243,080	5,272,864	29,784
Federal	228,779	383,653	154,874
Total revenues	<u>12,681,639</u>	<u>12,780,458</u>	<u>98,819</u>
<b>EXPENDITURES</b>			
Current:			
Instruction	8,077,673	8,000,443	77,230
Support services:			
Student	1,072,084	1,049,883	22,201
Instructional staff	340,884	316,066	24,818
General administration	84,475	94,958	(10,483)
Executive administration	534,965	534,965	-
School administration	807,338	764,696	42,642
Operation and maintenance of plant	906,557	904,819	1,738
Student transportation	529,587	508,787	20,800
Other	118,306	122,157	(3,851)
Debt service:			
Principal	329,853	328,475	1,378
Interest	16,334	17,705	(1,371)
Facilities acquisition and construction	-	14,290	(14,290)
Charter schools	11,400	11,118	
Total expenditures	<u>12,829,456</u>	<u>12,668,362</u>	<u>160,812</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(147,817)</u>	<u>112,096</u>	<u>259,631</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	95,000	55,000	(40,000)
Transfers out	(118,327)	(109,240)	(9,087)
Total other financing sources (uses)	<u>(23,327)</u>	<u>(54,240)</u>	<u>(49,087)</u>
Net change in fund balance	<u>\$ (171,144)</u>	57,856	<u>\$ 210,544</u>
Increase in nonspendable fund balance		(5,614)	
Decrease in committed fund balance		5,000	
Unassigned fund balance, beginning		90,544	
Unassigned fund balance, ending		<u>\$ 147,786</u>	

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

**EXHIBIT D2**  
**Haverhill Cooperative School District**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (GAAP Basis)**  
**Grants Fund**  
**For the Fiscal Year Ended June 30, 2014**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Local	\$ -	\$ 68,194	\$ 68,194
Federal	398,602	471,309	72,707
Total revenues	<u>398,602</u>	<u>539,503</u>	<u>140,901</u>
<b>EXPENDITURES</b>			
Current:			
Instruction	398,602	453,291	(54,689)
Support services:			
Student	-	6,675	(6,675)
Instructional staff	-	22,325	(22,325)
Executive administration	-	5,277	(5,277)
Operation and maintenance of plant	-	49,941	(49,941)
Student transportation	-	2,990	(2,990)
Total expenditures	<u>398,602</u>	<u>540,499</u>	<u>(141,897)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(996)</u>	<u>(996)</u>
Net change in fund balance	<u>\$ -</u>	<u>(996)</u>	<u>\$ (996)</u>
Fund balance, beginning		996	
Fund balance, ending		<u>\$ -</u>	

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

**EXHIBIT D-3**  
**Haverhill Cooperative School District**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (GAAP Basis)**  
**Food Service Fund**  
**For the Fiscal Year Ended June 30, 2014**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Local:			
Sales	\$ 159,775	\$ 154,967	\$ (4,808)
State:			
Lunch reimbursement	3,600	4,188	588
Federal:			
Lunch reimbursement	157,213	129,769	(27,444)
Breakfast reimbursement	-	22,394	22,394
After school snack reimbursement	-	1,618	1,618
USDA commodities	-	17,780	17,780
Total revenues	<u>320,588</u>	<u>330,716</u>	<u>10,128</u>
<b>EXPENDITURES</b>			
Current:			
Noninstructional services	<u>358,914</u>	<u>359,956</u>	<u>(1,042)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(38,326)</u>	<u>(29,240)</u>	<u>9,086</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	<u>38,456</u>	<u>29,240</u>	<u>9,086</u>
Total other financing sources (uses)	<u>38,456</u>	<u>29,240</u>	<u>9,086</u>
Net change in fund balance	<u>\$ (38,326)</u>	<u>-</u>	<u>\$ 9,086</u>
Fund balance, beginning		<u>-</u>	
Fund balance, ending		<u>\$ -</u>	

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

**EXHIBIT E-1**  
**HAVERHILL COOPERATIVE SCHOOL DISTRICT**  
**Fiduciary Funds**  
**Statement of Fiduciary Net Position**  
**For the Fiscal Year Ended June 30, 2014**

	Private Purpose Trust	Agency	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ 91,946	\$ 91,946
Intergovernmental receivable	844,977	-	844,977
Total assets	<u>844,977</u>	<u>91,946</u>	<u>936,923</u>
<b>LIABILITIES</b>			
Due to student groups	<u>-</u>	<u>91,946</u>	<u>91,946</u>
<b>NET POSITION</b>			
Held in trust for specific purposes	<u>\$ 844,977</u>	<u>\$ -</u>	<u>\$ 844,977</u>

\*\*\*\*PRIVATE PURPOSE TRUST BALANCES ARE PRIOR YEAR\*\*\*\*  
 \*\*\*\*ADJUSTMENT REQUIRED FOR FINAL DRAFT\*\*\*\*

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**EXHIBIT E-2**  
**Haverhill Cooperative School District**  
**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Fiscal Year Ended June 30, 2014**

	Private Purpose Trust
Additions:	
New funds	\$ -
Interest	-
Change in fair market value	-
Total revenue	-
Deductions:	
Scholarships	-
Change in net position	-
Net position, beginning	844,977
Net position, ending	\$ 844,977

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

**HAVERHILL COOPERATIVE SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
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**HAVERHILL COOPERATIVE SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2014**

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

***1-A Reporting Entity***

The Haverhill Cooperative School District, in Haverhill, New Hampshire (the School District) is a municipal corporation governed by an elected 7-member School Board. The accounting policies of the School District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principals in the United States.

The following is a summary of the District's significant accounting policies:

***1-B Basis of Accounting, Measurement Focus, and Financial Statement Presentation***

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

***Government-wide Financial Statements*** – The School District's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental activities for the School District. Fiduciary activities of the School District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in two categories: 1) charges for services, 2) operating grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All interfund balances in the Statement of Net Position have been eliminated.

***Governmental Fund Financial Statements*** – Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds, and nonmajor funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheets (the School District's deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures, and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measureable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are district assessments, intergovernmental revenues, and other local sources. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

***Fiduciary Fund Financial Statements*** – Fiduciary fund financial statements include a Statement of Fiduciary Net Position. The School District's fiduciary funds are agency funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The agency funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting.

**HAVERHILL COOPERATIVE SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2014**

**Fiduciary Fund Financial Statements** – Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. These funds account for resources held by the School District for the benefit of other parties, and include the private purpose trust funds and agency funds. Fiduciary funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting.

**Major Funds** – The School District reports the following major governmental funds:

**General Fund** – all general revenues and other receipts that are not allocated by law or contracted agreement to another fund are accounted for in this fund. This fund accounts for general operating expenditures, fixed charges, and the capital improvement costs that are not reported in other funds.

**Grants Fund** – accounts for the resources received from various federal, state, and local agencies. The resources are restricted to accomplishing the various objectives of the grantor agencies.

**Food Service Fund** – accounts for the operation of the School District’s food service program.

**Nonmajor Fund** – The School District also reports the nonmajor Haverhill Academy governmental fund. This fund is presented in the other governmental column of the fund financial statements.

The School District recognizes assets of nonexchange transactions in the period when the underlying transaction occurs, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Revenues are recognized, on the modified accrual basis, when they are measurable and available. Nonexchange transactions occur when one government provides (or receives) value to (from) another party without receiving (or giving) equal or nearly equal value in return. Various intergovernmental revenues, the district assessment, and most donations are examples of nonexchange transactions.

Under the terms of grant agreements, the School District funds certain programs by specific grants, resources and/or general revenues. Thus when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the School District’s policy to first apply grant resources to such programs and then general revenues.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Prioritization and Use of Available Resources** – When both restricted and unrestricted resources are available for use, it is the School District’s practice to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources are available for use in the general fund, it is the School District’s policy to use unassigned resources first, then assigned, and then committed as needed. When unrestricted resources are available for use in any other governmental fund, it is the School District’s policy to use committed resources first, then assigned, and then unassigned as needed.



**HAVERHILL COOPERATIVE SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2014**

***1-C Cash and Cash Equivalents***

The School District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash pool is maintained that is available for use by most funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and cash equivalents."

New Hampshire statutes require that the School District treasurer have custody of all money belonging to the School District and pay out the same only upon orders of the School Board. The treasurer shall deposit all such monies in participation units in the public deposit investment pool established pursuant to NH RSA 383:22 or in solvent banks in the state. Funds may be deposited in banks outside the state if such banks pledge and deliver to a third party custodial bank or the Federal Reserve Bank, collateral security for such deposits, United States government or government agency obligations or obligations of the State of New Hampshire in value at least equal to the amount of the deposit in each case.

***1-D Receivables***

Receivables in the government-wide and governmental fund financial statements represent amounts due to the School District at June 30, recorded as revenue, which will be collected in the future and consist primarily of accounts and intergovernmental receivables.

***1-E Interfund Balances***

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "interfund receivables and payables." Interfund receivables and payables between funds are eliminated in the Statement of Net Position.

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***1-F Capital Assets***

General capital assets are those assets of a capital nature which the School District owns. All capital assets are capitalized at cost (or estimated at historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$5,000 and more than one year of estimated useful life. Improvements to capital assets are capitalized; the costs of normal maintenance and repairs that do not add to the value of an asset or materially extend the asset's life are expensed.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. All reported capital assets are depreciated over their estimated useful lives. Depreciation is computed using the straight-line method over the following useful lives:

	Years
Land improvements	20 - 35
Buildings and building improvements	7 - 146
Machinery and equipment	5 - 20
Vehicles	3 -5

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

***1-G Deferred Inflows of Resources***

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, this item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable grant revenues. These amounts are deferred and recognized as an inflow of resources in the period that the

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amounts become available.

***1-H Compensated Absences***

The School District's policy allows certain employees to earn varying amounts of compensated leave time based on the employee's length of employment. Upon retirement or termination of employment, employees are paid in full for any accrued leave earned as set forth by personnel policy.

An expense and a liability for salary-related payments are accrued as the leave is earned in the government-wide financial statements. The compensated absences liability is liquidated using funds to which the liability accrued as the accumulated leave is used.

***1-I Long-Term Obligations***

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. In the fund financial statements, governmental fund types report the face amount of the debt issued as other financing sources.

***1-J Claims and Judgments***

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. Claims and judgments are recorded in the government-wide financial statements as expense when the related liabilities are incurred. There were no significant claims or judgments at year-end.

***1-K Net Position/Fund Balances***

Net position in government-wide financial statements is classified as follows:

**Net Investment in Capital Assets** – This classification includes the School District's capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted Net Position** – This classification includes assets that have third-party (statutory, bond covenant, or granting agency) limitation on their use. The School District typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project.

**Unrestricted Net Position** – This classification typically includes unrestricted liquid assets.

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraint placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

**Nonspendable** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form; or (b) are legally or contractually required to be maintained intact.

**Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed** – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the legislative body (School District Meeting). These amounts cannot be used for any other purpose unless the legislative body removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

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**Assigned** – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the School Board or through the Board delegating this responsibility to the Superintendent or Business Manager through the budgetary process.

**Unassigned** – This classification is the portion of fund balance that has not been restricted, committed, or assigned for a specific purpose.

In accordance with RSA 194:4-b, the School District voted to retain general fund unassigned fund balance of \$35,000 to be used for emergency expenditures, or to use as a revenue source to reduce the tax rate.

***1-L 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 “due to/from other funds” (i.e. the current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Interfund receivables and payables between funds are eliminated in the Statement of Net Position.

***Interfund Transfers*** – Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making the transfers and other financing sources in the funds receiving the transfers. In the government-wide financial statements, all interfund transfers between individual governmental funds have been eliminated.

***NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY***

***2-A Budgetary Information***

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements which govern the School District’s operations. At its annual meeting, the School District adopts a budget for the current year for the general, grants, and food service funds, as well as the nonmajor Haverhill Academy fund. Except as reconciled below, the budget was adopted on a basis consistent with United States generally accepted accounting principles.

Management may transfer appropriations between operating categories as deemed necessary, but expenditures may not legally exceed budgeted appropriations in total. All annual appropriations lapse at year-end unless encumbered.

Encumbrance accounting, under which purchase orders, contracts, and continuing appropriations (certain projects and specific items not fully expended at year-end) are recognized, is employed in the governmental funds. Encumbrances are not the equivalent of expenditures, and are therefore, reported as part of the assigned fund balance at year-end, and are carried forward to supplement appropriations of the subsequent year.

State statutes require balanced budgets, but provide for the use of beginning unassigned fund balance to achieve that end. In the fiscal year 2014, \$171,144 of the beginning general fund unassigned fund balance was applied for this purpose.

***2-B Budgetary Reconciliation to GAAP Basis***

The School District employs certain accounting principles for budgetary reporting purposes that differ from a GAAP basis. The Statement of Revenues and Expenditures – Budgetary Basis, presents the actual results to provide a comparison with the budget. The major difference between the budgetary basis and GAAP basis is as follows:

Encumbrances outstanding at year-end do not represent GAAP expenditures or liabilities, but represent budgetary accounting controls. Governmental fund budgets are maintained on the modified accrual basis of accounting except that budgetary basis expenditures include purchase orders and commitments (encumbrances) for goods or services not received at year end. Encumbrances are recorded to reserve a portion of fund balance in the governmental fund types for commitments for which no liability exists.

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The following reconciles the general fund budgetary basis to the GAAP basis:

Revenues and other financing sources:	
Per Exhibit D-1 (budgetary basis)	\$ 12,835,458
Adjustments:	
Basis difference:	
GASB Statement No. 54:	
Interest earned on expendable trust fund	36
To eliminate transfers between general fund and expendable trust fund	(55,000)
Per Exhibit C-3 (GAAP basis)	<u>\$ 12,780,494</u>
Expenditures and other financing uses:	
Per Exhibit D-1 (budgetary basis)	\$ 12,777,602
Adjustments:	
Basis difference:	
Encumbrances, beginning	8,905
Encumbrances, ending	(39,197)
GASB Statement No. 54:	
Expenditure made from expendable trust funds	72,237
To eliminate transfers between general fund and expendable trust fund	(80,000)
Per Exhibit C-3 (GAAP basis)	<u>\$ 12,739,547</u>

**2-C Excess of Expenditures over Appropriations**

The grants fund and food service fund had excess of expenditures over appropriations for the year ended June 30, 2014 in the amounts of \$141,897 and \$1,042, respectively. Overexpenditures were due to the receipt and expenditure of unanticipated funds.

**DETAILED NOTES ON ALL FUNDS**

**NOTE 3 – CASH AND CASH EQUIVALENTS**

The School District’s deposits are entirely covered by federal depository insurance (FDIC) or by collateral held by the School District’s agent in the School District’s name. The FDIC currently insures the first \$250,000 of the School District’s deposits at each financial institution, per case custodian. Deposit balances over \$250,000 are insured by the collateral. As of year-end, the carrying amount of the School District’s deposits was a cash overdraft of \$11,169 and the bank balances totaled \$469,199.

**Repurchase Agreement** – Included in the School District’s cash equivalents at June 30, 2014, is a short-term investment in a repurchase agreement issued by a local banking institution. Under this agreement, the School District will be repaid principal plus interest on a specified date which is subsequent to year-end. The agreement is guaranteed/collateralized with securities held by the banking institution which equal the amount of the agreement. To the extent that the banking institution may default on its commitment to this obligation, the School District is at risk of economic loss. Management considers this exposure to be minimal. At June 30, 2014, the School District held an investment in the following repurchase agreement(s):

Amount	Interest Rate %	Maturity Date	Collateral Pledged	
			Underlying Securities	Market Value
\$ -				\$ -

**Custodial Credit Risk** – The School District’s repurchase agreements are all with banking institutions; therefore, are subject to custodial credit risk. The custodial credit risk is the risk that in the event of bank failure, the School District’s deposits may not be recovered.

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**Interest Rate Risk** – The term repurchase agreements are also subject to interest rate risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of the School District’s investments.

**NOTE 4 – RECEIVABLES**

Receivables at June 30, 2014, consisted of accounts and intergovernmental amounts arising from grants, school lunch program, restricted grants, and trust funds in the custody of the Town of Haverhill Trustees of Trust Funds. Receivables are recorded on the School District’s financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectability.

**NOTE 5 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2014 consisted of the following:

	Balance, beginning	Additions	Retirements	Balance, ending
At cost:				
Not being depreciated:				
Land	\$ 14,849	\$ -	\$ -	\$ 14,849
Being depreciated:				
Land improvements	83,302	-	-	83,302
Buildings and building improvements	8,165,925	64,545	-	8,230,470
Machinery and equipment	712,393	-	(82,510)	629,883
Vehicles	110,433	22,000	(9,500)	122,933
Total capital assets being depreciated	<u>9,072,053</u>	<u>86,545</u>	<u>(92,010)</u>	<u>9,066,588</u>
Total capital assets	<u>9,086,902</u>	<u>86,545</u>	<u>(92,010)</u>	<u>9,081,437</u>
Less accumulated depreciation:				
Land improvements	(37,486)	(4,165)	-	(41,651)
Buildings and building improvements	(2,010,490)	(232,169)	-	(2,242,659)
Machinery and equipment	(549,362)	(45,101)	82,510	(511,953)
Vehicles	(54,657)	(15,946)	5,067	(65,536)
Total accumulated depreciation	<u>(2,651,995)</u>	<u>(297,381)</u>	<u>87,577</u>	<u>(2,861,799)</u>
Net book value, capital assets being depreciated	<u>6,420,058</u>	<u>(210,836)</u>	<u>(4,433)</u>	<u>6,204,789</u>
Net book value, all capital assets	<u>\$ 6,434,907</u>	<u>\$ (210,836)</u>	<u>\$ (4,433)</u>	<u>\$ 6,219,638</u>

Depreciation expense was charged to functions of the School District based on their usage of the related assets. The amounts allocated to each function are as follows:

Instruction	\$ 188,988
Support services:	
School administration	8,921
Operation and maintenance of plant	11,895
Total depreciation expense	<u>\$ 209,804</u>

**NOTE 6 – INTERFUND BALANCES AND TRANSFERS**

Interfund receivable and payable balances consisting of overdrafts in pooled cash at June 30, 2014, are as follows:

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<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Grants	\$ 86,005
	Food Service	48,492
		<u>\$ 134,497</u>

An interfund transfers was made during the year from the general fund to the food service fund in the amount of \$29,240 to cover the annual food service operating deficit.

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; and (2) use unrestricted revenue collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**NOTE 6 –DEFERRED INFLOWS OF RESOURCES**Deferred inflows of resources of \$19,471 in the grants fund at June 30, 2014 consists of local grant funding received in advance of eligible expenditures.

**NOTE 7 – LONG-TERM LIABILITIES**

Changes in the School District’s long-term liabilities consisted of the following for the year ended June 30, 2014:

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2014</u>	<u>Due Within</u> <u>One Year</u>
General obligation bonds	\$ 2,638,228	\$ -	\$ 328,475	\$ 2,309,753	\$ 32,473
Capital leases	13,751	-	8,775	4,976	2,488
Compensated absences	284,880	7,970	-	292,850	55,829
Total long-term liabilities	<u>\$ 2,936,859</u>	<u>\$ 7,970</u>	<u>\$ 337,250</u>	<u>\$ 2,607,579</u>	<u>\$ 90,790</u>

Long term bonds/notes are comprised of the following:

	<u>Original</u> <u>Amount</u>	<u>Issue Date</u>	<u>Maturity</u> <u>Date</u>	<u>Interest</u> <u>Rate</u>	<u>Outstanding at</u> <u>June 30, 2014</u>
General obligation bonds/notes payable:					
QZAB - 2004	\$ 500,000	2004	2019	N/A	\$ 166,666
QZAB - 2006	\$ 1,694,000	2006	2023	N/A	833,466
QZAB - 2009	\$ 1,498,000	2009	2023	N/A	963,000
School construction	\$ 605,000	2009	2019	2.48%	302,500
Fire safety	\$ 73,535	2012	2017	6.76%	44,121
					<u>\$ 2,309,753</u>

The annual requirements to amortize all general obligation bonds/notes outstanding as of June 30, 2014, including interest payments, are as follows:

<u>Fiscal Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 328,473	\$ 14,609	\$ 343,082
2016	328,473	11,584	340,057
2017	328,473	8,501	336,974
2018	313,766	5,445	319,211
2019	313,768	2,723	316,491
2020-2023	696,800	-	696,800
Totals	<u>\$ 2,309,753</u>	<u>\$ 42,862</u>	<u>\$ 2,352,615</u>

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The annual requirements to amortize all capital leases outstanding as of June 30, 2014, including interest payments, are as follows:

Fiscal Year Ending June 30,	Governmental Activities
2015	\$ 2,488
2016	2,488
Total requirements	<u>\$ 4,976</u>

All debt is general obligation debt of the School District, which is backed by its full faith and credit, and will be repaid from general governmental revenues.

**Bonds/Notes Authorized and Unissued** – Bonds and notes authorized and unissued as of June 30, 2014 were as follows:

Per District Meeting Vote of	Purpose	Unissued Amount
March 2014	Fire Safety Improvements	\$ 268,213

**NOTE 8 – ENCUMBRANCES**

Encumbrances outstanding at June 30, 2014 are as follows:

Current:	
Instruction:	
Regular programs	\$ 3,578
Special programs	692
Total instruction	<u>4,270</u>
Support services:	
Instructional staff	2,073
School administration	232
Operation and maintenance of plant	15,649
Total support services	<u>17,954</u>
Facilities acquisition and construction	<u>16,973</u>
Total encumbrances	<u>\$ 39,197</u>

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**NOTE 9 – GOVERNMENTAL ACTIVITIES NET POSITION**

The government-wide Statement of Net Position at June 30, 2014 consisted of the following:

Net investment in capital assets		
Net property, buildings, and equipment	\$	6,204,789
Less:		
General obligation bonds payable		(2,309,753)
Capital leases payable		<u>(4,976)</u>
Total net investment in capital assets		3,890,060
Restricted for:		
Haverhill Academy		<u>3,125</u>
Unrestricted		<u>-</u>
Total net position	\$	<u><u>3,893,185</u></u>

None of the net assets are restricted by enabling legislation.

**NOTE 10 – GOVERNMENTAL FUND BALANCES**

Governmental fund balances at June 30, 2014 consist of the following:

<b>Nonspendable:</b>		
Major fund:		
General Fund	\$	5,614
<b>Restricted:</b>		
Nonmajor fund:		
Haverhill Academy		3,125
<b>Committed:</b>		
Major fund:		
General fund:		
Expendable trust	\$	340,253
Voted appropriation - March 2014		<u>75,000</u>
Total committed fund balance		415,253
<b>Assigned:</b>		
Major fund:		
General fund:		
Encumbrances		39,197
<b>Unassigned:</b>		
Major funds:		
General fund		<u>128,824</u>
Total governmental fund balances	\$	<u><u>592,013</u></u>

**NOTE 11 – EMPLOYEE RETIREMENT PLAN**

**State Retirement System**

The School District participates in the New Hampshire Retirement System (the System) which is the administrator of a cost-sharing multiple-employer contributory pension plan and trust established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The plan is a contributory, defined benefit



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plan providing service, disability, death, and vested retirement benefits to members and their beneficiaries. Provision for benefits and contributions are established and can be amended by the New Hampshire Legislature. The System issues a publicly available financial report that may be obtained by writing the New Hampshire Retirement System, 54 Regional Drive, Concord, NH 03301.

The System is financed by contributions from both the employees and the School District. Member contribution rates are established and may be amended by the State legislature while employer contribution rates are set by the System trustees based on an actuarial valuation. All employees are required to contribute 7% of earnable compensation. For fiscal year 2014, the School District contributed 14.16% for teachers and 10.77% for other employees. The contribution requirements for the fiscal years 2012, 2013, and 2014 were \$618,882, \$629,943, and \$788,968, respectively, which were paid in full in each year.

**NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

In addition to pension benefits described in the preceding note, the School District provides postemployment benefit options for health care, to eligible retirees, terminated employees, and their dependents. The benefits are provided in accordance with the School District's agreements, or collective bargaining agreements, and the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The criteria to determine eligibility include: years of service, employee age, and whether the employee has vested in the respective retirement plan. The School District funds the benefits on a pay-as-you-go basis. Eligible employees are required to pay set premiums for a portion of the cost with the School District subsidizing the remaining costs. Expenses for the postretirement health care benefits are recognized as eligible employee claims are paid.

The Governmental Accounting Standards Board (GASB) issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* as amended by GASB No. 57, *OPEB Measurements by Agent Employers and Agent Multiple Employee Plans* in December 2009. GASB Statement No. 45 requires that the long-term cost of retirement health care and obligations for other postemployment benefits (OPEB) be determined on an actuarial basis and reported on the financial statements. The School District has not implemented GASB Statement No. 45 at June 30, 2014, or contracted with an actuarial firm to assist in evaluating the impact of this new standard on the School District. The amounts that should be recorded as the annual required contribution/OPEB cost and the net OPEB obligation is unknown.

**NOTE 13 – RISK MANAGEMENT**

The School 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 natural disasters. During fiscal year 2014, the School District was a member of the New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) Workers' Compensation and Property/Liability Programs. This entity is considered a public entity risk pool, currently operating as common risk management and insurance program for member School Districts and cities.

The New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) Workers' Compensation and Property/Liability Programs are pooled risk management programs under RSAs 5-B and 281-A. Coverage was provided from July 1 to June 30, 2014 by Primex<sup>3</sup>, which retained \$1,000,000 of each workers' compensation loss, \$500,000 of each liability loss, and \$200,000 of each property loss. The Board has decided to self-insure the aggregate exposure and has allocated funds based on actuarial analysis for that purpose. The estimated net contribution from the Haverhill Cooperative School District billed and paid for the year ended June 30, 2014 was \$26,658 for workers' compensation and \$43,454 for property/liability. The workers' compensation section of the self-insurance membership agreement permits Primex<sup>3</sup> to make additional assessments to members should there be a deficiency in contributions for any member year, not to exceed the member's annual contribution. GASB Statement No. 10 requires members of a pool with a sharing risk to disclose if such an assessment is probable, and a reasonable estimate of the amount, if any. At this time, Primex<sup>3</sup> foresees no likelihood of any additional assessment for this or any prior year.

**NOTE 14 – CONTINGENT LIABILITIES**

The School District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement from the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the School District believes such disallowances, if any, will be immaterial.

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**NOTE 15 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS**

The following GASB pronouncements were implemented by the School District for the fiscal year ended June 30, 2014. These pronouncements had no impact on the current financial statements:

**GASB Statement No. 66, *Technical Corrections – 2012 – An Amendment of GASB Statements No. 10 and No. 62***, issued March 2012. This Statement is intended to resolve conflicting accounting and financial report and guidance that emerged from two recent standards, Statement No. 54 and Statement No. 62. These standards conflicted with existing guidance in Statements No. 10, 13, and 48.

**GASB Statement No. 67, *Financial Reporting for Pension Plans***, issued in June 2012. The guidance contained in this Statement will change how governments calculate and report the costs and obligations associated with pensions in important ways. They replace the requirements of Statements No. 27 and 50.

**NOTE 16 – SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the balance sheet date, but before the financial statements are issued. Recognized subsequent events are events or transactions that provided additional evidence about conditions that existed at the balance sheet date, including the estimates inherent in the process of preparing the financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the balance sheet date, but arose after the date. Management has evaluated subsequent events through [REDACTED], 2015, the date the June 30, 2014 financial statements were available to be issued, and no events occurred that require recognition or disclosure.

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**SCHEDULE 1**  
**HVERHILL COOPERATIVE SCHOOL DISTRICT**  
**Major General Fund**  
*Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)*  
**For the Fiscal Year Ended June 30, 2014**

	Estimated	Actual	Variance Positive (Negative)
School district assessment:			
Current appropriation	\$ 5,636,348	\$ 5,636,348	\$ -
Other local sources:			
Tuition	1,282,571	1,333,057	50,486
Transportation	-	-	-
Investment income	1,000	1,158	158
Student activities	3,000	3,404	404
Refunds	27,000	95,683	68,683
Rentals	9,600	9,014	(586)
Miscellaneous	250,261	45,277	(204,984)
Total from other local sources	<u>1,573,432</u>	<u>1,487,593</u>	<u>(85,839)</u>
State sources:			
Adequacy aid (grant)	4,018,023	4,018,023	-
Adequacy aid (tax)	833,263	833,263	-
School building aid	207,512	207,512	-
Catastrophic aid	84,866	106,375	21,509
Vocational aid	99,416	107,491	8,075
Driver education	-	200	200
Total from state sources	<u>5,243,080</u>	<u>5,272,864</u>	<u>29,784</u>
Federal sources:			
Medicaid	201,000	352,526	151,526
Federal forest reserve	1,779	1,892	113
QZAB Bond Interest	26,000	29,235	3,235
Total from federal sources	<u>228,779</u>	<u>383,653</u>	<u>154,874</u>
Other financing sources:			
Transfers in	95,000	55,000	(40,000)
Total revenues and other financing sources	12,776,639	<u>\$ 12,835,458</u>	<u>\$ 58,819</u>
Fund balance used to reduce school district assessment	171,144		
Total revenues, other financing sources, and use of fund balance	<u>\$ 12,947,783</u>		

**SCHEDULE 2**  
**Haverhill Cooperative School District**  
**Major General Fund**  
*Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)*  
**For the Fiscal Year Ended June 30, 2014**

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
<b>Current:</b>					
<b>Instruction:</b>					
Regular programs	\$ -	\$ 4,693,975	\$ 4,649,994	\$ 3,578	\$ 40,403
Special programs	418	2,769,275	2,727,149	692	41,852
Vocational programs	-	256,195	298,984	-	(42,789)
Adult and community programs	-	51,713	45,013	-	6,700
Other	-	306,515	275,451	-	31,064
Total instruction	<u>418</u>	<u>8,077,673</u>	<u>7,996,591</u>	<u>4,270</u>	<u>77,230</u>
<b>Support services:</b>					
Student	-	1,072,084	1,049,883	-	22,201
Instructional staff	1,596	340,884	315,589	2,073	24,818
General administration	-	84,475	94,958	-	(10,483)
Executive administration	-	534,965	534,965	-	-
School administration	49	807,338	764,513	232	42,642
Operation and maintenance of plant	600	906,557	889,770	15,649	1,738
Student transportation	-	529,587	508,787	-	20,800
Other	-	118,306	122,157	-	(3,851)
Total support services	<u>2,245</u>	<u>4,394,196</u>	<u>4,280,622</u>	<u>17,954</u>	<u>97,865</u>
<b>Debt service:</b>					
Principal of long-term debt	-	329,853	328,475	-	1,378
Interest on long-term debt	-	16,334	17,705	-	(1,371)
Total debt service	<u>-</u>	<u>346,187</u>	<u>346,180</u>	<u>-</u>	<u>7</u>
Facilities acquisition and construction	<u>6,242</u>	<u>-</u>	<u>3,559</u>	<u>16,973</u>	<u>(14,290)</u>
Charter schools	<u>-</u>	<u>11,400</u>	<u>11,118</u>	<u>-</u>	<u>282</u>
<b>Other financing uses:</b>					
Transfers out	<u>-</u>	<u>118,327</u>	<u>109,240</u>	<u>-</u>	<u>9,087</u>
<b>Total appropriations, expenditures, other financing uses, and encumbrances</b>	<u>\$ 8,905</u>	<u>\$ 12,947,783</u>	<u>\$ 12,747,310</u>	<u>\$ 39,197</u>	<u>\$ 170,181</u>

**HAVERHILL COOPERATIVE SCHOOL DISTRICT**  
**Major General Fund**  
*Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)*  
**For the Fiscal Year Ended June 30, 2014**

Unassigned fund balance, beginning	\$	90,544
Changes:		
Fund balance used to reduce school district assessment		(171,144)
2013-2014 Budget summary:		
Revenue surplus (Schedule 1)	\$	58,819
Unexpended balance of appropriations (Schedule 2)		170,181
2013-2014 Budget surplus		229,000
Increase in nonspendable fund balance		(5,614)
Decrease in committed fund balance		5,000
Unassigned fund balance, ending (Non-GAAP budgetary basis)	\$	147,786

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**SCHEDULE 4**  
**HAVERHILL COOPERATIVE SCHOOL DISTRICT**  
*Student Activities Funds*  
**Combining Schedule of Changes in Student Activities Funds**  
**For the Fiscal Year Ended June 30, 2014**

	Balance, beginning	Additions	Deductions	Balance, ending
Schools:				
Woodsville High	\$ 74,829	\$ 110,304	\$ 108,630	\$ 76,503
Haverhill Academy Middle	5,856	42,726	39,714	8,868
Woodsville Elementary	2,622	8,414	6,497	4,539
King Street School	1,191	1,045	200	2,036
Totals	<u>\$ 84,498</u>	<u>\$ 162,489</u>	<u>\$ 155,041</u>	<u>\$ 91,946</u>

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