

**TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT**

**Financial Statements**

**For the Year Ended June 30, 2020**

**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**For the Year Ended June 30, 2020**

---

**Table of Contents**

	<u>Statements</u>	<u>Page Numbers</u>
Independent Auditor's Report		
Fund Financial Statements:		
Balance Sheet - Governmental Funds	1	1
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	2	2
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Budgetary Basis - General Fund	3	3
Statement of Fiduciary Net Position - Fiduciary Funds	4	4
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	5	5
Notes to Financial Statements		6-11
	<u>Exhibits</u>	
Combining and Individual Fund Financial Statements:		
General Fund:		
Comparative Balance Sheets	A-1	15
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Budgetary Basis	A-2	16
Nonmajor Governmental Funds:		
Combining Balance Sheet	B-1	19
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	B-2	20
Other Special Revenue Funds - Schedule of Revenues, Expenditures, and Changes in Fund Balances	B-3	21
Student Activity Funds - Schedule of Revenues, Expenditures, and Changes in Fund Balances	B-4	22
Private-purpose Trust Funds:		
Combining Statement of Fiduciary Net Position	C-1	25
Combining Statement of Changes in Fiduciary Net Position	C-2	26

## Independent Auditor's Report

Winslow School Board  
Town of Winslow, Maine  
School Department

### **Report on the Financial Statements**

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Town of Winslow, Maine School Department as of and for the year ended June 30, 2020, and the related notes to the 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 each major fund, and the aggregate remaining fund information of the Town of Winslow, Maine School Department as of June 30, 2020, and the respective changes in financial position thereof and the budgetary comparison for the School Department general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in the in the notes, the financial statements of the Town of Winslow, Maine School Department are intended to present the financial position and changes in financial position of only that portion of each major fund and the aggregate remaining fund information of the Town of Winslow, Maine that is attributable to the transactions of the Town of Winslow, Maine School Department. They do not purport to, and do not present fairly the financial position of the Town of Winslow, Maine as of June 30, 2020, or the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Other Matters***

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Winslow, Maine School Department's basic financial statements. The combining and individual fund financial statements 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 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 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 November 23, 2020, on our consideration of the Town of Winslow, Maine'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 solely 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 the effectiveness of the Town of Winslow, Maine School Department's 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 Town of Winslow, Maine's internal control over financial reporting and compliance.

A handwritten signature in cursive script, reading "Remya Kristen Ouellette".

November 23, 2020  
South Portland, Maine

**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2020**

	General Fund	High School Renovations Project	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,632,555	-	168,392	2,800,947
Accounts receivable	15,308	-	243,732	259,040
Interfund loans receivable	-	1,315,278	269,151	1,584,429
Inventory	-	-	29,154	29,154
<b>Total assets</b>	<b>\$ 2,647,863</b>	<b>1,315,278</b>	<b>710,429</b>	<b>4,673,570</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	-	128,299	-	128,299
Accrued payroll	1,411,029	-	-	1,411,029
Interfund loans payable	1,408,628	-	175,801	1,584,429
<b>Total liabilities</b>	<b>2,819,657</b>	<b>128,299</b>	<b>175,801</b>	<b>3,123,757</b>
Fund balances (deficits):				
Restricted for grants and other purposes	-	1,186,979	462,327	1,649,306
Committed for student activities	-	-	168,392	168,392
Unassigned	(171,794)	-	(96,091)	(267,885)
<b>Total fund balances (deficits)</b>	<b>(171,794)</b>	<b>1,186,979</b>	<b>534,628</b>	<b>1,549,813</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,647,863</b>	<b>1,315,278</b>	<b>710,429</b>	<b>4,673,570</b>

*See accompanying notes to financial statements.*

**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**

**For the year ended June 30, 2020**

	General Fund	High School Renovations Project	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Intergovernmental	\$ 8,956,680	-	1,858,962	10,815,642
Charges for services	780,510	-	356,069	1,136,579
Investment income	60,963	-	-	60,963
Student activity fees and fundraisers	-	-	161,209	161,209
Other revenues	19,561	-	9,791	29,352
Total revenues	9,817,714	-	2,386,031	12,203,745
Expenditures:				
Current:				
Education	14,883,823	-	1,268,582	16,152,405
School lunch	-	-	806,304	806,304
Student activities	-	-	150,538	150,538
On-behalf payment - MainePERS	1,479,655	-	-	1,479,655
Debt service	855,073	-	-	855,073
Capital outlay	204,949	6,542,735	-	6,747,684
Total expenditures	17,423,500	6,542,735	2,225,424	26,191,659
Excess (deficiency) of revenues over (under) expenditures	(7,605,786)	(6,542,735)	160,607	(13,987,914)
Other financing sources (uses):				
Proceeds from capital lease	204,949	-	-	204,949
Transfers in for local appropriation	8,008,464	-	-	8,008,464
Transfers in	-	-	60,000	60,000
Transfers out	(60,000)	-	-	(60,000)
Total other financing sources (uses)	8,153,413	-	60,000	8,213,413
Net change in fund balances	547,627	(6,542,735)	220,607	(5,774,501)
Fund balances (deficits), beginning of year	(719,421)	7,729,714	314,021	7,324,314
<b>Fund balances (deficits), end of year</b>	<b>\$ (171,794)</b>	<b>1,186,979</b>	<b>534,628</b>	<b>1,549,813</b>

*See accompanying notes to financial statements.*

**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Budgetary Basis**  
**General Fund**  
**For the year ended June 30, 2020**

	Budgeted amounts		Actual	Variance with budget positive (negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 7,415,455	7,415,455	7,477,025	61,570
Charges for services	386,589	386,589	448,354	61,765
Shared services reimbursements	345,364	345,364	332,156	(13,208)
Investment income	-	-	60,963	60,963
Other revenue	20,000	20,000	19,561	(439)
Total revenues	8,167,408	8,167,408	8,338,059	170,651
<b>Expenditures:</b>				
Current:				
Regular instruction	6,833,931	6,833,931	6,691,015	142,916
Special education	2,862,863	2,862,863	2,637,790	225,073
Other instruction	597,705	597,705	563,795	33,910
Student and staff support	1,377,096	1,377,096	1,324,444	52,652
System administration	465,975	465,975	437,229	28,746
School administration	942,142	942,142	932,732	9,410
Transportation	725,094	725,094	684,443	40,651
Facilities maintenance	1,493,085	1,493,085	1,565,536	(72,451)
Debt service	917,981	917,981	855,073	62,908
Total expenditures	16,215,872	16,215,872	15,692,057	523,815
Excess (deficiency) of revenues over (under) expenditures	(8,048,464)	(8,048,464)	(7,353,998)	694,466
<b>Other financing sources (uses):</b>				
Transfers in for local appropriation	8,008,464	8,008,464	8,008,464	-
Transfers out	(60,000)	(60,000)	(60,000)	-
Utilization of prior year surplus	100,000	100,000	-	(100,000)
Total other financing sources (uses)	8,048,464	8,048,464	7,948,464	(100,000)
Net change in fund balance - budgetary basis	-	-	594,466	594,466
<b>Reconciliation to GAAP basis:</b>				
Change in teacher summer salaries liability			(46,839)	
Net change in fund balance - GAAP basis			547,627	
Fund balance (deficit), beginning of year			(719,421)	
<b>Fund balance (deficit), end of year</b>	<b>\$</b>		<b>(171,794)</b>	

*See accompanying notes to financial statements.*



TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2020

		Private- purpose Trust Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$	13,022
Investments		333,547
<b>Total assets</b>		<b>346,569</b>
<b>NET POSITION</b>		
Held in trust	\$	<b>346,569</b>

*See accompanying notes to financial statements.*

TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the year ended June 30, 2020

		Private- purpose Trust Funds
Additions:		
Investment income	\$	12,833
Realized/unrealized gain (loss)		9,592
Donations		23,673
Total additions		46,098
Deductions:		
Other miscellaneous		15,080
Total deductions		15,080
Change in net position		31,018
Net position, beginning of year		315,551
<b>Net position, end of year</b>	<b>\$</b>	<b>346,569</b>

*See accompanying notes to financial statements.*

**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Notes to Financial Statements**

---

---

**THE REPORTING ENTITY**

---

The Winslow School Department operates as a department of the Town of Winslow, Maine, the financial statements of which have been issued in a separate report dated November 23, 2020 for the year ended June 30, 2020.

The accompanying fund financial statements present only the School Department's operations and are not intended to present fairly the financial position and results of operations of the Town of Winslow, Maine in conformity with accounting principles generally accepted in the United States of America. Certain disclosures relevant to both the Town of Winslow, Maine and the School Department are omitted herein and have been disclosed in the Town's basic financial statements. Additionally, all long-term debt is reflected only in the Town of Winslow, Maine's basic financial statements. This would include debt entered into by the Town for the benefit of the School Department, any capital leases currently outstanding, the liabilities pertaining to the School Department's proportionate share of the net pension liability and other postemployment benefits.

---

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

---

The accounting policies of the Winslow School Department conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant of such policies:

**A. Basis of Presentation**

The School Department's fund financial statements consist of statements which provide a more detailed level of financial information.

During the year, the School Department segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School Department at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The fiduciary fund is reported by type.

**B. Fund Accounting**

The School Department uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are two categories of funds: governmental and fiduciary.

**TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT  
Notes to Financial Statements, Continued**

---

---

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

---

**Governmental Funds:**

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

The following are the School Department's major governmental funds:

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

**High School Renovations Project** - accounts for the renovations at the high school.

**Fiduciary Fund Types:**

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension-trust funds, investment-trust funds, private-purpose trust funds and custodial funds. The School Department's private-purpose trust funds account for scholarships for the benefit of the students.

**C. Measurement Focus**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

**D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Governmental funds use the modified accrual basis of accounting. Fiduciary funds use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue and in the presentation of expenses versus expenditures.

**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Notes to Financial Statements, Continued**

---

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

---

**1. Revenues - Exchange and Non-exchange Transactions:**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School Department, available means expected to be received within sixty days of fiscal year end.

Nonexchange transactions, in which the School Department receives value without directly giving equal value in return, include local assessments, grants, entitlements, and donations. On an accrual basis, revenue from local assessments is recognized in the fiscal year for which the assessments are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School Department must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School Department on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

**2. Expenses/Expenditures:**

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocation of costs, such as depreciation and amortization are not recognized in governmental funds.

**Interfund Transactions** - During the course of normal operations, the School Department has several transactions between funds including expenditures and transfers of resources to provide services. These transactions are reported as transfers. Transactions between funds which represent lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund loans receivable or payable.

**Inventories** - Food services inventories are valued at the lower of cost (first-in, first-out basis) or market, and are offset with a nonspendable fund balance. Inventories include the value of the U. S. Department of Agriculture commodities donated to the School Lunch Program.

**Compensated Absences** - Under terms of union contracts and personnel administration policies, employees are granted vacation and sick leave in varying amounts. Accrued vacation and sick leave are accrued when incurred in the governmental-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Notes to Financial Statements, Continued**

---

---

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

---

**Capital Assets** - Capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position in the Town of Winslow, Maine's basic financial statements but are not reported in the fund financial statements.

**Accrued Liabilities and Long-term Obligations** - All payables, accrued liabilities, and long-term obligations are reported in the Town's government-wide financial statements.

In general, payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the governmental funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. The financed purchases and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

**Fund Equity** - Governmental Fund fund balance is reported in five classifications that comprise a hierarchy based primarily on the extent to which the School Department is bound to honor constraints on the specific purposes for which those funds can be spent. The five classifications of fund balance for the Governmental Funds are as follows:

- *Nonspendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.
- *Restricted* – resources with constraints placed on the use of resources which are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or; b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – resources which are subject to limitations the School Department imposes on itself at its highest level of decision-making authority, and that remain binding unless removed in the same manner.
- *Assigned* – resources that are constrained by the School Department's intent to be used for specific purposes, but are neither restricted nor committed.
- *Unassigned* – resources which have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

Generally, all unexpended budgetary accounts lapse at the close of the fiscal year. The School Board has the responsibility for committing fund balance amounts and likewise would be required to modify or rescind those commitments. The School Board maintains responsibility for assigning fund balances.

Although not a formal policy, when both restricted and unrestricted resources are available for use, it is the School Department's intent to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, and unassigned resources are available for use, it is the School Department's intent to use committed or assigned resources first, and then unassigned resources as they are needed.

**Use of Estimates** - Preparation of the School Department's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT  
Notes to Financial Statements, Continued**

**STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information** - The School Department is responsible for preparing and submitting a budget to the voters. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except for teacher summer salaries which are budgeted on a cash basis and Maine Public Employees Retirement System on-behalf payments. Maine Public Employees Retirement System contributions are made by the State of Maine on behalf of the School Department.

The level of control (level at which expenditures may not exceed budget) is the School Department budget cost article level. Generally, all unexpended budgetary accounts lapse at the close of the fiscal year.

The following budget articles were over-expended at June 30, 2020:

Facilities maintenance	\$ 72,451
------------------------	-----------

**B. Deficit Fund Balance** - At June 30, 2020, the following funds had deficit fund balances:

General Fund	\$ 171,794
School Lunch	96,091

These deficits will be funded by future operating revenues and local assessments.

**BUDGETARY VERSUS GAAP BASIS OF ACCOUNTING**

The School Department general fund balance as shown on Statement 1 differs from the School Department fund balance calculated on a budgetary basis due to the accrued teachers summer salaries and benefits. The reconciliation is as follows:

	<u>School fund balance</u>
School fund balance (deficit), June 30, 2020 - GAAP Basis	\$ (171,794)
<u>Accrued teacher summer salaries and benefits</u>	<u>1,241,626</u>
 <b><u>Fund balance, June 30, 2020 - budgetary basis</u></b>	 <b><u>\$ 1,069,832</u></b>

Additionally, as required by generally accepted accounting principles (GAAP), the School Department has recorded a revenue and expenditure for Maine Public Employees Retirement System contributions made by the State of Maine on behalf of the School Department. These amounts have not been budgeted in the School Department general fund and result in a difference in reporting on a budgetary basis of accounting versus reporting under accounting principles generally accepted in the United States of America of \$1,479,655. These amounts have been included as an intergovernmental revenue and shown as "On-behalf payment – Maine PERS" expenditure on Statement 2. There is no effect on fund balance at the end of the year.

**TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT  
Notes to Financial Statements, Continued**

**ACCRUED TEACHERS SALARIES AND BENEFITS**

Teacher employment contracts run from September 1<sup>st</sup> to August 31<sup>st</sup> of the next year and payments are made throughout that period. Since teachers' contracted services are constructively performed at the end of the school year, salaries paid to teachers during July and August represent liabilities of the School Department at June 30, 2020. The amount of teachers' salaries and benefits earned but unpaid at June 30, 2020 was \$1,241,626.

**RISK MANAGEMENT**

The School Department is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the School Department either carries commercial insurance or participates in a public entity risk pools. Currently, the School Department utilizes MEMIC for workers' compensation and Liberty Mutual for property and casualty.

Based on these coverages, the School Department is not aware of any material actual or potential claim liabilities that should be recorded at June 30, 2020.

**STATE REIMBURSEMENT FOR DEBT SERVICE EXPENDITURES**

The State of Maine currently reimburses the School Department for a portion of financing costs of school buildings and buses. Continuation of such reimbursements is dependent upon continued appropriations by the State Legislature.

**CONSTRUCTION COMMITMENTS**

The School Department has entered into contracts in connection with the high school renovation project. The following is a summary of commitments at June 30, 2020:

	<u>Contract Total</u>	<u>Percentage Complete</u>	<u>Billed to Date</u>	<u>Retainage</u>	<u>Balance Remaining</u>
High School Renovations	\$ 6,979,376	90%	6,258,679	128,299	720,697

**NEW PRONOUNCEMENT**

For the fiscal year ended June 30, 2020, the School Department has elected to implement Statement No. 84 of the Government Accounting Standards Board – *Fiduciary Activities*. As a result on implementing GASB Statement No. 84, the School Department has restated beginning fund balance in the nonmajor governmental funds to account for certain activities that were previously reported as fiduciary funds. Fund balance was increased as of July 1, 2019 by \$157,721.



## **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

These statements provide a more detailed view of the "basic financial statements" presented in the preceding subsection.

Combining statements are presented when there is more than one fund of a given fund type. Several individual fund statements are presented to provide additional detail and to present budgetary comparison.

## **GENERAL FUND**

**TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT  
General Fund  
Comparative Balance Sheets  
June 30, 2020 and 2019**

	<b>2020</b>	<b>2019</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,632,555	8,011,178
Accounts receivable	15,308	17,923
Prepaid expenditures	-	138,475
<b>Total assets</b>	<b>\$ 2,647,863</b>	<b>8,167,576</b>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accrued payroll	1,411,029	1,213,089
Interfund loans payable	1,408,628	7,673,908
<b>Total liabilities</b>	<b>2,819,657</b>	<b>8,886,997</b>
Fund balance (deficit):		
Unassigned	(171,794)	(719,421)
<b>Total fund balance (deficit)</b>	<b>(171,794)</b>	<b>(719,421)</b>
<b>Total liabilities and fund balance</b>	<b>\$ 2,647,863</b>	<b>8,167,576</b>

**TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT  
General Fund**

**Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Budgetary Basis  
For the year ended June 30, 2020**

**(with comparative actual amounts for the year ended June 30, 2019)**

	2020		Variance positive (negative)	2019 Actual
	Adjusted budget	Actual		
Revenues:				
State education subsidy	\$ 7,395,455	7,447,372	51,917	7,139,368
State agency client	20,000	20,101	101	34,086
Other intergovernmental revenue	-	9,552	9,552	8,748
Tuition	383,089	422,055	38,966	501,675
Transportation and rental of facilities	3,500	26,299	22,799	47,455
Shared services reimbursements	345,364	332,156	(13,208)	340,824
Investment earnings	-	60,963	60,963	79,148
Other revenues	20,000	19,561	(439)	120,492
Total revenues	8,167,408	8,338,059	170,651	8,271,796
Expenditures:				
Current:				
Winslow Elementary	3,500,705	3,478,851	21,854	3,386,668
Winslow Junior High School	2,442,484	2,358,166	84,318	2,434,576
Winslow High School	4,275,393	4,152,495	122,898	4,166,312
Special Education	2,862,863	2,637,790	225,073	2,613,002
ELL	71,937	70,877	1,060	106,967
Health	251,811	246,472	5,339	234,565
Alternative education	57,194	51,000	6,194	32,150
Certification	4,651	7,189	(2,538)	6,044
Technology	333,594	327,707	5,887	365,462
Central office/Board of Education	735,079	789,992	(54,913)	692,952
Transportation	725,094	684,443	40,651	679,392
Area resource center	20,983	20,983	-	18,648
Maintenance and custodial	16,103	11,019	5,084	12,172
Debt service:				
Principal	386,522	325,000	61,522	310,000
Interest	531,459	530,073	1,386	104,200
Total expenditures	16,215,872	15,692,057	523,815	15,163,110
Excess (deficiency) of revenues over (under) expenditures	(8,048,464)	(7,353,998)	694,466	(6,891,314)
Other financing sources (uses):				
Transfers in for local appropriation	8,008,464	8,008,464	-	7,203,811
Transfers out	(60,000)	(60,000)	-	(60,000)
Utilization of prior year surplus	100,000	-	(100,000)	-
Total other financing sources (uses)	8,048,464	7,948,464	(100,000)	7,143,811
Net change in fund balances - budgetary basis	-	594,466	594,466	252,497
Reconciliation to GAAP basis:				
Change in teacher summer salaries liability		(46,839)		(7,356)
Net change in fund balance - GAAP basis		547,627		245,141
Fund balance (deficit), beginning of year		(719,421)		(964,562)
<b>Fund balance (deficit), end of year</b>	<b>\$</b>	<b>(171,794)</b>		<b>(719,421)</b>

# **NONMAJOR GOVERNMENTAL FUNDS**

## **SPECIAL REVENUE FUNDS**

Special revenue funds account for specific resources, the expenditure of which is restricted by law or administrative action for particular purposes.

Special revenue funds are established for the following purposes:

### **Other Special Revenue Funds**

To account for various federal and state grants for special programs administered by the School Department.

### **Adult Education Fund**

To account for the revenues and expenditures associated with the Adult Education Program.

### **School Lunch Program**

To account for the activity of the school lunch operations.

### **Student Activity Funds**

To account for funds held at the individual schools for student activities and other purposes.

**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2020**

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Other Special Revenue Funds	Adult Education Fund	School Lunch Program	Student Activity Funds	
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	-	-	168,392	168,392
Accounts receivable	193,176	-	50,556	-	243,732
Interfund loans receivable	261,458	7,693	-	-	269,151
Inventory	-	-	29,154	-	29,154
<b>Total assets</b>	<b>\$ 454,634</b>	<b>7,693</b>	<b>79,710</b>	<b>168,392</b>	<b>710,429</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Interfund loans payable	-	-	175,801	-	175,801
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>175,801</b>	<b>-</b>	<b>175,801</b>
Fund balances (deficits):					
Restricted	454,634	7,693	-	-	462,327
Committed	-	-	-	168,392	168,392
Unassigned	-	-	(96,091)	-	(96,091)
<b>Total fund balances (deficits)</b>	<b>454,634</b>	<b>7,693</b>	<b>(96,091)</b>	<b>168,392</b>	<b>534,628</b>
<b>Total liabilities and fund balances</b>	<b>\$ 454,634</b>	<b>7,693</b>	<b>79,710</b>	<b>168,392</b>	<b>710,429</b>

**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the year ended June 30, 2020**

	Special Revenue Funds			Student Activity Funds	Total Nonmajor Government Funds
	Other Special Revenue Funds	Adult Education Fund	School Lunch Program		
Revenues:					
Intergovernmental	\$ 1,134,362	-	724,600	-	1,858,962
Charges for services	221,822	-	134,247	-	356,069
Student activity fees and fundraisers	-	-	-	161,209	161,209
Other revenue	9,791	-	-	-	9,791
Total revenues	1,365,975	-	858,847	161,209	2,386,031
Expenditures:					
Current:					
Education	1,268,582	-	-	-	1,268,582
School lunch	-	-	806,304	-	806,304
Student activities	-	-	-	150,538	150,538
Total expenditures	1,268,582	-	806,304	150,538	2,225,424
Excess (deficiency) of revenues over (under) expenditures	97,393	-	52,543	10,671	160,607
Other financing sources (uses):					
Transfers in	-	-	60,000	-	60,000
Total other financing sources (uses)	-	-	60,000	-	60,000
Net change in fund balances	97,393	-	112,543	10,671	220,607
Fund balances (deficits), beginning of year	357,241	7,693	(208,634)	157,721	314,021
<b>Fund balances (deficits), end of year</b>	<b>\$ 454,634</b>	<b>7,693</b>	<b>(96,091)</b>	<b>168,392</b>	<b>534,628</b>

**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Other Special Revenue Funds**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For the year ended June 30, 2020**

	Balances beginning of year	Revenues	Expenditures	Balances end of year
<b>Grant Funds:</b>				
Title I	\$ -	410,423	410,423	-
MaineCare	226,226	242,634	106,136	362,724
Local Entitlement	-	339,212	339,212	-
Pre-school Handicapped	-	3,833	3,833	-
Title IIA - Supporting Effective Instruction	-	94,201	94,201	-
Title V - Rural Small Schools	-	25,183	25,183	-
E-Rate	24,965	-	-	24,965
Fiscal agent	4,976	18,876	5,642	18,210
Total grant funds	256,167	1,134,362	984,630	405,899
<b>Other Special Funds:</b>				
Before and after school care	94,449	221,822	281,026	35,245
Insurance proceeds	2,008	-	-	2,008
Gizmo garden fund	2,655	-	-	2,655
COVID donations	-	8,541	2,779	5,762
Special education fund	147	-	147	-
Homeless	1,815	1,250	-	3,065
Total other special funds	101,074	231,613	283,952	48,735
<b>Total</b>	<b>\$ 357,241</b>	<b>1,365,975</b>	<b>1,268,582</b>	<b>454,634</b>



**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Student Activity Funds**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For the year ended June 30, 2020**

	Balances beginning of year	Revenues	Expenditures	Balance end of year
High School activity funds	\$ 49,904	88,511	88,554	49,861
High School athletics fund	16,017	22,614	23,751	14,880
Junior High activity funds	50,484	25,049	18,457	57,076
Elementary School activity funds	41,316	25,035	19,776	46,575
<b>Total</b>	<b>157,721</b>	<b>161,209</b>	<b>150,538</b>	<b>168,392</b>

## **PRIVATE-PURPOSE TRUST FUNDS**

Trust funds are established to account for assets received by the School Department and held in a fiduciary capacity as trustee or agent.

TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT  
Private-purpose Trust Funds  
Combining Statement of Fiduciary Net Position  
June 30, 2020  
(with comparative totals for June 30, 2019)

		Bowden	Esther Gagne	High School	Totals	
		Scholarship Fund	Scholarship Fund		Scholarships	2020
<b>ASSETS</b>						
Cash and cash equivalents	\$	10,745	-	2,277	13,022	37,372
Investments		-	26,145	307,402	333,547	278,179
<b>Total assets</b>	<b>\$</b>	<b>10,745</b>	<b>26,145</b>	<b>309,679</b>	<b>346,569</b>	<b>315,551</b>
<b>NET POSITION</b>						
Restricted for principal		1,646	25,000	-	26,646	26,646
Unrestricted		9,099	1,145	309,679	319,923	288,905
<b>Total net position</b>	<b>\$</b>	<b>10,745</b>	<b>26,145</b>	<b>309,679</b>	<b>346,569</b>	<b>315,551</b>

**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Private-purpose Trust Funds**  
**Combining Statement of Changes in Fiduciary Net Position**  
**For the year ended June 30, 2020**  
**(with comparative totals for the year ended June 30, 2019)**

	Bowden Scholarship Fund	Esther Gagne Scholarship Fund	High School Scholarships	Totals	
				2020	2019
Additions:					
Investment income	\$ 11	79	12,743	12,833	13,065
Realized/unrealized gain (loss)	-	1,007	8,585	9,592	4,640
Donations	1,023	-	22,650	23,673	170,661
<b>Total additions</b>	<b>1,034</b>	<b>1,086</b>	<b>43,978</b>	<b>46,098</b>	<b>188,366</b>
Deductions:					
Other miscellaneous	250	51	14,779	15,080	11,680
<b>Total deductions</b>	<b>250</b>	<b>51</b>	<b>14,779</b>	<b>15,080</b>	<b>11,680</b>
Change in net position	784	1,035	29,199	31,018	176,686
Net position, beginning of year	9,961	25,110	280,480	315,551	138,865
<b>Net position, end of year</b>	<b>\$ 10,745</b>	<b>26,145</b>	<b>309,679</b>	<b>346,569</b>	<b>315,551</b>