

**TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT**

**Financial Statements**

**For the Year Ended June 30, 2019**

**TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT  
For the Year Ended June 30, 2019**

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## 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, 2019, 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, 2019, 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, 2019, 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 October 2, 2019, 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.



October 2, 2019  
South Portland, Maine

TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT  
Balance Sheet  
Governmental Funds  
June 30, 2019

	General Fund	High School Renovations Project	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 8,011,178	-	-	8,011,178
Accounts receivable	17,923	-	193,573	211,496
Interfund loans receivable	-	7,729,714	192,430	7,922,144
Prepaid expenditures	138,475	-	-	138,475
Inventory	-	-	18,533	18,533
<b>Total assets</b>	<b>\$ 8,167,576</b>	<b>7,729,714</b>	<b>404,536</b>	<b>16,301,826</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accrued payroll	1,213,089	-	-	1,213,089
Interfund loans payable	7,673,908	-	248,236	7,922,144
Total liabilities	8,886,997	-	248,236	9,135,233
Fund balances (deficits):				
Restricted for grants and other purposes	-	7,729,714	364,934	8,094,648
Unassigned	(719,421)	-	(208,634)	(928,055)
Total fund balances (deficits)	(719,421)	7,729,714	156,300	7,166,593
<b>Total liabilities and fund balances</b>	<b>\$ 8,167,576</b>	<b>7,729,714</b>	<b>404,536</b>	<b>16,301,826</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, 2019**

	General Fund	High School Renovations Project	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Intergovernmental	\$ 8,361,659	-	1,557,914	9,919,573
Charges for services	889,954	-	406,886	1,296,840
Investment income	79,148	-	-	79,148
Other revenues	120,492	-	614	121,106
Total revenues	9,451,253	-	1,965,414	11,416,667
Expenditures:				
Current:				
Education	14,756,266	-	1,350,441	16,106,707
School lunch	-	-	653,846	653,846
On-behalf payment - Maine PERS	1,179,457	-	-	1,179,457
Debt service	414,200	-	-	414,200
Capital outlay	155,443	370,286	-	525,729
Total expenditures	16,505,366	370,286	2,004,287	18,879,939
Excess (deficiency) of revenues over (under) expenditures	(7,054,113)	(370,286)	(38,873)	(7,463,272)
Other financing sources (uses):				
Proceeds from capital lease	155,443	-	-	155,443
Proceeds from bond	-	7,695,000	-	7,695,000
Premium on issuance of bonds	-	405,000	-	405,000
Transfers in for local appropriation	7,203,811	-	-	7,203,811
Transfers in	-	-	60,000	60,000
Transfers out	(60,000)	-	-	(60,000)
Total other financing sources (uses)	7,299,254	8,100,000	60,000	15,459,254
Net change in fund balances	245,141	7,729,714	21,127	7,995,982
Fund balances (deficits), beginning of year	(964,562)	-	135,173	(829,389)
<b>Fund balances (deficits), end of year</b>	<b>\$ (719,421)</b>	<b>7,729,714</b>	<b>156,300</b>	<b>7,166,593</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, 2019**

	Budgeted amounts		Actual	Variance with budget positive (negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 7,121,089	7,121,089	7,182,202	61,113
Charges for services	547,379	547,379	549,130	1,751
Shared services reimbursements	385,522	385,522	340,824	(44,698)
Investment income	-	-	79,148	79,148
Other revenue	20,000	20,000	120,492	100,492
Total revenues	8,073,990	8,073,990	8,271,796	197,806
Expenditures:				
Current:				
Regular instruction	6,725,699	6,725,699	6,660,127	65,572
Special education	2,776,877	2,776,877	2,613,002	163,875
CTE instruction	3,228	3,228	-	3,228
Other instruction	572,113	572,113	659,922	(87,809)
Student and staff support	1,504,563	1,504,563	1,406,424	98,139
System administration	494,330	494,330	447,768	46,562
School administration	936,510	936,510	904,406	32,104
Transportation	691,255	691,255	578,673	112,582
Facilities maintenance	1,395,026	1,395,026	1,478,588	(83,562)
Debt service	414,200	414,200	414,200	-
Total expenditures	15,513,801	15,513,801	15,163,110	350,691
Excess (deficiency) of revenues over (under) expenditures	(7,439,811)	(7,439,811)	(6,891,314)	548,497
Other financing sources (uses):				
Transfers in for local appropriation	7,203,811	7,203,811	7,203,811	-
Transfers out	(60,000)	(60,000)	(60,000)	-
Utilization of prior year surplus	296,000	296,000	-	(296,000)
Total other financing sources (uses)	7,439,811	7,439,811	7,143,811	(296,000)
Net change in fund balance - budgetary basis	-	-	252,497	252,497
Reconciliation to GAAP basis:				
Change in teacher summer salaries liability			(7,356)	
Net change in fund balance - GAAP basis			245,141	
Fund balance (deficit), beginning of year			(964,562)	
<b>Fund balance (deficit), end of year</b>	<b>\$</b>		<b>(719,421)</b>	

*See accompanying notes to financial statements.*



**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2019**

		Private- purpose Trust Funds	Agency Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$	37,372	157,721
Investments		278,179	-
<b>Total assets</b>		<b>315,551</b>	<b>157,721</b>
<b>LIABILITIES</b>			
Amounts held for others		-	157,721
<b>Total liabilities</b>		<b>-</b>	<b>157,721</b>
<b>NET POSITION</b>			
Held in trust	\$	<b>315,551</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, 2019**

		<b>Private- purpose Trust Funds</b>
<hr/>		
Additions:		
Investment income	\$	13,065
Realized/unrealized gain (loss)		4,640
Donations		170,661
Total additions		<u>188,366</u>
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Deductions:		
Other miscellaneous		11,680
Total deductions		<u>11,680</u>
<hr/>		
Change in net position		176,686
Net position, beginning of year		<u>138,865</u>
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<b>Net position, end of year</b>	<b>\$</b>	<b><u>315,551</u></b>

*See accompanying notes to financial statements.*

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

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**THE REPORTING ENTITY**

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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 October 2, 2019 for the year ended June 30, 2019.

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.

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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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**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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**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 and Agency 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 agency funds. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The School Department's agency fund accounts for those student activity programs which have student participation in the activity and have students involved in the management of the program.

**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**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**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**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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**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 capital leases 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, 2019:

Other instruction	\$ 87,809
Facilities maintenance	83,562

**B. Deficit Fund Balance** - At June 30, 2019, the following funds had deficit fund balances:

General Fund	\$ 719,421
School Lunch	208,634

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

**BUDGETARY VS 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, 2019--GAAP Basis	\$ (719,421)
<u>Accrued teacher summer salaries and benefits</u>	<u>1,206,489</u>
<b><u>Fund balance, June 30, 2019--budgetary basis</u></b>	<b><u>\$ 487,068</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 vs. reporting under accounting principles generally accepted in the United States of America of \$1,179,457. 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**

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**ACCRUED TEACHERS SALARIES AND BENEFITS**

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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, 2019. The amount of teachers' salaries and benefits earned but unpaid at June 30, 2019 was \$1,206,489.

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**RISK MANAGEMENT**

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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, 2019.

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**STATE REIMBURSEMENT FOR DEBT SERVICE EXPENDITURES**

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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.

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**CONSTRUCTION COMMITMENTS**

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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, 2019:

	<u>Contract</u> <u>Total</u>	<u>Percentage</u> <u>Complete</u>	<u>Billed</u> <u>to Date</u>	<u>Retainage</u>	<u>Balance</u> <u>Remaining</u>
High School Renovations	\$ 6,590,544	0%	-	-	6,590,544
Engineering	520,000	80%	416,000	-	104,000

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**DISSOLUTION OF ALTERNATIVE ORGANIZATIONAL STRUCTURE (AOS) 92**

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The Kennebec Valley Consolidated Schools was an Alternative Organizational Structure (AOS) formed by the municipalities of Vassalboro, Waterville, and Winslow under the 2007 State of Maine School Administrative Reorganization law. AOS 92 combined administrative, special education, transportation, and various other functions as required by law. Additional functions were combined where cost savings could be found. Along with a combined AOS budget and board, each member school unit retained a local budget and school board. In March of 2018, voters in all three communities voted to approve dissolving AOS 92 on July 1, 2018. As part of the dissolution of AOS 92, the School Department received a disbursement of \$94,638, which represents their share of the remaining cash balance after all liabilities were paid.



## **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, 2019 and 2018**

	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 8,011,178	307,057
Accounts receivable	17,923	68,236
Interfund loans receivable	-	79,347
Prepaid expenditures	138,475	149,652
<b>Total assets</b>	<b>\$ 8,167,576</b>	<b>604,292</b>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	-	354,114
Accrued payroll	1,213,089	1,214,740
Interfund loans payable	7,673,908	-
<b>Total liabilities</b>	<b>8,886,997</b>	<b>1,568,854</b>
Fund balance (deficit):		
Unassigned	(719,421)	(964,562)
<b>Total fund balance (deficit)</b>	<b>(719,421)</b>	<b>(964,562)</b>
<b>Total liabilities and fund balance</b>	<b>\$ 8,167,576</b>	<b>604,292</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, 2019  
(with comparative actual amounts for the year ended June 30, 2018)**

	2019		Variance positive (negative)	2018 Actual
	Adjusted budget	Actual		
<b>Revenues:</b>				
State education subsidy	\$ 7,046,089	7,139,368	93,279	6,881,882
State agency client	75,000	34,086	(40,914)	102,971
Other intergovernmental revenue	-	8,748	8,748	9,000
Tuition	543,879	501,675	(42,204)	512,329
Transportation and rental of facilities	3,500	47,455	43,955	64,753
Shared services reimbursements	385,522	340,824	(44,698)	-
Investment earnings	-	79,148	79,148	5,181
Other revenues	20,000	120,492	100,492	61,899
Total revenues	8,073,990	8,271,796	197,806	7,638,015
<b>Expenditures:</b>				
<b>Current:</b>				
Winslow Elementary	3,353,377	3,386,668	(33,291)	3,182,971
Winslow Junior High School	2,483,041	2,434,576	48,465	2,356,447
Winslow High School	4,198,620	4,166,312	32,308	4,004,656
Special Education	2,776,877	2,613,002	163,875	2,248,767
Vocational	3,228	-	3,228	288,692
ELL	103,414	106,967	(3,553)	89,729
Health	253,459	234,565	18,894	237,705
Alternative education	41,980	32,150	9,830	36,097
Certification	5,133	6,044	(911)	8,363
Technology	407,929	365,462	42,467	353,849
Central office/Board of Education	761,640	692,952	68,688	528,514
Transportation	691,255	679,392	11,863	639,704
Area resource center	18,648	18,648	-	17,652
Maintenance and custodial	1,000	12,172	(11,172)	62,494
<b>Debt service:</b>				
Principal	310,000	310,000	-	300,000
Interest	104,200	104,200	-	113,350
Total expenditures	15,513,801	15,163,110	350,691	14,468,990
Excess (deficiency) of revenues over (under) expenditures	(7,439,811)	(6,891,314)	548,497	(6,830,975)
<b>Other financing sources (uses):</b>				
Transfers in for local appropriation	7,203,811	7,203,811	-	6,602,394
Transfers in	-	-	-	100,000
Transfers out	(60,000)	(60,000)	-	(60,000)
Utilization of prior year surplus	296,000	-	(296,000)	-
Total other financing sources (uses)	7,439,811	7,143,811	(296,000)	6,642,394
Net change in fund balances - budgetary basis	-	252,497	252,497	(188,581)
<b>Reconciliation to GAAP basis:</b>				
Change in teacher summer salaries liability		(7,356)		(103,543)
Net change in fund balance - GAAP basis		245,141		(292,124)
Fund balance (deficit), beginning of year		(964,562)		(672,438)
<b>Fund balance (deficit), end of year</b>	<b>\$</b>	<b>(719,421)</b>		<b>(964,562)</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.

**TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2019**

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Other Special Revenue Funds	Adult Education Fund	School Lunch Program	
<b>ASSETS</b>				
Accounts receivable	\$ 172,504	-	21,069	193,573
Interfund loans receivable	184,737	7,693	-	192,430
Inventory	-	-	18,533	18,533
<b>Total assets</b>	<b>\$ 357,241</b>	<b>7,693</b>	<b>39,602</b>	<b>404,536</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Interfund loans payable	-	-	248,236	248,236
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>248,236</b>	<b>248,236</b>
Fund balances (deficits):				
Restricted	357,241	7,693	-	364,934
Unassigned	-	-	(208,634)	(208,634)
<b>Total fund balances (deficits)</b>	<b>357,241</b>	<b>7,693</b>	<b>(208,634)</b>	<b>156,300</b>
<b>Total liabilities and fund balances</b>	<b>\$ 357,241</b>	<b>7,693</b>	<b>39,602</b>	<b>404,536</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, 2019**

	Special Revenue Funds			Total Nonmajor Government Funds
	Other Special Revenue Funds	Adult Education Fund	School Lunch Program	
Revenues:				
Intergovernmental	\$ 1,147,390	-	410,524	1,557,914
Charges for services	221,483	-	185,403	406,886
Other revenue	614	-	-	614
<b>Total revenues</b>	<b>1,369,487</b>	<b>-</b>	<b>595,927</b>	<b>1,965,414</b>
Expenditures:				
Current:				
Education	1,350,441	-	-	1,350,441
School lunch	-	-	653,846	653,846
<b>Total expenditures</b>	<b>1,350,441</b>	<b>-</b>	<b>653,846</b>	<b>2,004,287</b>
Excess (deficiency) of revenues over (under) expenditures	19,046	-	(57,919)	(38,873)
Other financing sources (uses):				
Transfers in	-	-	60,000	60,000
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>60,000</b>	<b>60,000</b>
Net change in fund balances	19,046	-	2,081	21,127
Fund balances (deficits), beginning of year	338,195	7,693	(210,715)	135,173
<b>Fund balances (deficits), end of year</b>	<b>\$ 357,241</b>	<b>7,693</b>	<b>(208,634)</b>	<b>156,300</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, 2019**

	Balances beginning of year	Revenues	Expenditures	Balances end of year
<b>Grant Funds:</b>				
Title I	\$ -	379,986	379,986	-
MaineCare	172,771	238,193	184,738	226,226
Local Entitlement	-	376,369	376,369	-
Pre-school Handicapped	-	4,509	4,509	-
Title IIA - Supporting Effective Instruction	-	31,287	31,287	-
Title V - Rural Small Schools	-	59,463	59,463	-
21st Century	-	50,000	50,000	-
E-Rate	24,965	-	-	24,965
Transition grant	94	-	94	-
Fiscal agent	8,845	7,583	11,452	4,976
Total grant funds	206,675	1,147,390	1,097,898	256,167
<b>Other Special Funds:</b>				
Before and after school care	124,305	221,483	251,339	94,449
Insurance proceeds	2,008	-	-	2,008
Gizmo garden fund	3,001	-	346	2,655
Special education fund	347	-	200	147
Homeless	1,859	614	658	1,815
Total other special funds	131,520	222,097	252,543	101,074
<b>Total</b>	<b>\$ 338,195</b>	<b>1,369,487</b>	<b>1,350,441</b>	<b>357,241</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.

## **AGENCY FUNDS**

The Agency funds account for the various student activity accounts.

TOWN OF WINSLOW, MAINE  
SCHOOL DEPARTMENT  
Private-purpose Trust  
Combining Statement of Fiduciary Net Position  
June 30, 2019  
(with comparative totals for June 30, 2018)

		Bowden	Esther Gagne	High School	Totals	
		Scholarship	Scholarship		2019	2018
		Fund	Fund	Scholarships		
<b>ASSETS</b>						
Cash and cash equivalents	\$	9,961	25,110	2,301	37,372	36,617
Investments		-	-	278,179	278,179	102,248
<b>Total assets</b>	<b>\$</b>	<b>9,961</b>	<b>25,110</b>	<b>280,480</b>	<b>315,551</b>	<b>138,865</b>
<b>NET POSITION</b>						
Restricted for principal		1,646	25,000	-	26,646	26,646
Unrestricted		8,315	110	280,480	288,905	112,219
<b>Total net position</b>	<b>\$</b>	<b>9,961</b>	<b>25,110</b>	<b>280,480</b>	<b>315,551</b>	<b>138,865</b>

**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Private-purpose Trust**  
**Combining Statement of Changes in Fiduciary Net Position**  
**For the year ended June 30, 2019**  
**(with comparative totals for the year ended June 30, 2018)**

	Bowden Scholarship Fund	Esther Gagne Scholarship Fund	High School Scholarships	Totals	
				2019	2018
Additions:					
Investment income	\$ 13	83	12,969	13,065	4,996
Realized/unrealized gain (loss)	-	-	4,640	4,640	4,268
Donations	1,083	-	169,578	170,661	7,842
<b>Total additions</b>	<b>1,096</b>	<b>83</b>	<b>187,187</b>	<b>188,366</b>	<b>17,106</b>
Deductions:					
Other miscellaneous	300	100	11,280	11,680	16,295
<b>Total deductions</b>	<b>300</b>	<b>100</b>	<b>11,280</b>	<b>11,680</b>	<b>16,295</b>
 Change in net position	 796	 (17)	 175,907	 176,686	 811
Net position, beginning of year	9,165	25,127	104,573	138,865	138,054
<b>Net position, end of year</b>	<b>\$ 9,961</b>	<b>25,110</b>	<b>280,480</b>	<b>315,551</b>	<b>138,865</b>

**TOWN OF WINSLOW, MAINE**  
**SCHOOL DEPARTMENT**  
**Agency Funds**  
**Statement of Changes in Assets and Liabilities**  
**For the year ended June 30, 2019**

	Balance beginning of year	Additions	Deductions	Balance end of year
<b>ASSETS</b>				
High School activity funds	\$ 54,559	98,870	103,525	49,904
High School athletics fund	14,348	11,995	10,326	16,017
Junior High activity funds	49,449	31,061	30,026	50,484
Elementary School activity funds	35,220	37,437	31,341	41,316
<b>Total assets</b>	<b>153,576</b>	<b>179,363</b>	<b>175,218</b>	<b>157,721</b>
<b>LIABILITIES</b>				
Amounts held for others	153,576	179,363	175,218	157,721
<b>Total liabilities</b>	<b>\$ 153,576</b>	<b>179,363</b>	<b>175,218</b>	<b>157,721</b>