

**CITY OF BIDDEFORD
SCHOOL DEPARTMENT**

Financial Statements

For the Year Ended June 30, 2017

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Financial Statements
For the Year Ended June 30, 2017

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Independent Auditor's Report

Biddeford School Committee
City of Biddeford, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the City of Biddeford, Maine School Department as of and for the year ended June 30, 2017, 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 City of Biddeford, Maine School Department, as of June 30, 2017, and the respective changes in financial position, thereof and the budgetary comparison for the 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 notes to the financial statements, the financial statements of the City of Biddeford, Maine School Department are intended to present the financial position and the changes in financial position of only that portion of each major fund, and the aggregate remaining fund information of the City of Biddeford, Maine that is attributable to the transactions of the City of Biddeford, Maine School Department. They do not purport to, and do not present fairly the financial position of the City of Biddeford, Maine as of June 30, 2017, the changes in its financial position for the year then ended in accordance 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 an opinion on the financial statements that collectively comprise the City of Biddeford, Maine School Department's basic financial statements. The combining and individual fund financial statements and schedules are presented for purpose of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2017, on our consideration of the City of Biddeford, Maine's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the 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 City of Biddeford, Maine's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Ryan Weston Ouellette". The signature is written in a cursive style with a large initial 'R'.

December 28, 2017
South Portland, Maine

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Balance Sheet
Governmental Funds
June 30, 2017

	General	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 17,648	47,867	65,515
Receivables:			
Due from City of Biddeford	6,562,854	-	6,562,854
Interfund loans receivable	-	156,469	156,469
Due from other governments	-	595,073	595,073
Accounts receivable	70,941	7,769	78,710
Inventory	-	30,343	30,343
Total assets	\$ 6,651,443	837,521	7,488,964
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	614,424	15,973	630,397
Accrued wages and benefits payable	3,691,854	285,174	3,977,028
Interfund loans payable	60,069	96,419	156,488
Total liabilities	4,366,347	397,566	4,763,913
Fund balances:			
Nonspendable	-	30,343	30,343
Restricted	-	223,488	223,488
Committed	-	186,130	186,130
Assigned	1,336,377	-	1,336,377
Unassigned	948,719	(6)	948,713
Total fund balances	2,285,096	439,955	2,725,051
Total liabilities and fund balances	\$ 6,651,443	837,521	7,488,964

See accompanying notes to basic financial statements.

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2017

	General	Other Governmental Funds	Total Governmental Funds
Revenues:			
Local appropriation	\$ 22,798,718	-	22,798,718
Intergovernmental revenue	11,085,508	2,659,850	13,745,358
Maine PERS on-behalf payments	2,068,543	-	2,068,543
Charges for services	235,205	407,946	643,151
Contributions	55,870	-	55,870
Contributed commodities	-	54,557	54,557
Other	185,793	155,621	341,414
Total revenues	36,429,637	3,277,974	39,707,611
Expenditures:			
Current:			
Regular instruction	14,933,998	1,041,176	15,975,174
Special education instruction	5,334,931	723,856	6,058,787
Career and technical instruction	2,455,934	-	2,455,934
Other instruction	538,854	-	538,854
Student and staff support services	1,973,438	-	1,973,438
System administration	1,063,634	-	1,063,634
School administration	1,500,846	-	1,500,846
Transportation	1,326,656	-	1,326,656
Facilities maintenance	3,285,363	-	3,285,363
All other costs	7,339	-	7,339
Adult education	527,133	100,336	627,469
Program expenditures	-	194,431	194,431
Food service expenditures	-	1,160,104	1,160,104
Capital expenditures	581,462	14,858	596,320
Debt service	4,009,046	-	4,009,046
Total expenditures	37,538,634	3,234,761	40,773,395
Excess (deficiency) of revenues over (under) expenditures	(1,108,997)	43,213	(1,065,784)
Other financing sources:			
Note payable proceeds	581,462	-	581,462
Total other financing sources	581,462	-	581,462
Net change in fund balances	(527,535)	43,213	(484,322)
Fund balances, beginning of year	2,812,631	396,742	3,209,373
Fund balances, end of year	\$ 2,285,096	439,955	2,725,051

See accompanying notes to basic financial statements.

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Budgetary Basis
General Fund
For the year ended June 30, 2017

	<u>Budgeted amounts</u>		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Local appropriation	\$ 22,798,718	22,798,718	22,798,718	-
Intergovernmental revenue	10,839,304	10,839,304	11,085,508	246,204
Charges for services	197,379	197,379	235,205	37,826
Contributions	55,870	55,870	55,870	-
Other	165,417	165,417	185,793	20,376
Total revenues	34,056,688	34,056,688	34,361,094	304,406
Expenditures:				
Current:				
Regular instruction	12,980,301	12,981,138	12,865,455	115,683
Special education instruction	5,750,102	5,750,102	5,334,931	415,171
Career and technical instruction	2,457,231	2,457,231	2,455,934	1,297
Other instruction	565,909	565,072	538,854	26,218
Student and staff support services	2,026,946	2,026,946	1,973,438	53,508
System administration	1,064,714	1,064,714	1,063,634	1,080
School administration	1,521,062	1,521,062	1,500,846	20,216
Transportation	1,373,479	1,373,479	1,326,656	46,823
Facilities maintenance	3,344,571	3,344,571	3,285,363	59,208
All other costs	7,601	7,601	7,339	262
Adult education	649,470	649,470	527,133	122,337
Debt service	4,009,046	4,009,046	4,009,046	-
Total expenditures	35,750,432	35,750,432	34,888,629	861,803
Deficiency of revenues under expenditures	(1,693,744)	(1,693,744)	(527,535)	1,166,209
Other financing sources:				
Budgeted utilization of surplus	1,693,744	1,693,744	-	(1,693,744)
Total other financing sources	1,693,744	1,693,744	-	(1,693,744)
Net change in fund balance	-	-	(527,535)	(527,535)
Fund balance, beginning of year			2,812,631	
Fund balance, end of year	\$		2,285,096	

See accompanying notes to basic financial statements.

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2017

		Private- purpose trust - scholarships	Agency funds
ASSETS			
Cash and cash equivalents	\$	148,848	220,533
Investments		269,085	-
Total assets		417,933	220,533
LIABILITIES			
Amounts held for students		-	220,533
Total liabilities		-	220,533
NET POSITION			
Held in trust for scholarships	\$	417,933	-

See accompanying notes basic to financial statements.

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2017

		Private- purpose trust - scholarships
ADDITIONS		
Investment income	\$	67,416
Total additions		67,416
DEDUCTIONS		
Scholarships		27,080
Total deductions		27,080
Change in net position		40,336
Net position, beginning of the year		377,597
Net position, end of the year	\$	417,933

See accompanying notes to basic financial statements.

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Notes to Basic Financial Statements

THE REPORTING ENTITY

The City of Biddeford School Department operates as a department of the City of Biddeford, Maine, the financial statements of which have been issued in a separate report dated December 28, 2017 for the year ended June 30, 2017.

The accompanying financial statements present only the City of Biddeford School Department's operations and are not intended to present fairly the financial position and results of operations of the City of Biddeford, Maine in conformity with accounting principles generally accepted in the United States of America. Certain disclosures relevant to both the City of Biddeford, Maine and the City of Biddeford School Department are omitted herein and have been disclosed in the City's financial statements. This would include pension liabilities, deposits and investments, and other post-employment benefit liabilities.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Biddeford School Department conform to U.S. generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

A. Basis of Presentation

The accounts of the City of Biddeford School Department are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is operated and accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. The various funds are grouped by type in the fund financial statements. The City of Biddeford School Department uses the following fund categories and fund types:

Governmental Fund Types

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 is the School Department's major governmental fund:

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.

The School Department also reports the following types of nonmajor governmental funds:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Capital Project Funds - Capital project funds are used to account for resources obtained and expended for the acquisition of capital facilities.

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 funds account for those student activity programs which have student participation in the activity and have students involved in the management of the program.

Private purpose trust funds are used to account for assets held by the School under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School's own programs. The School Department's private purpose trusts account for scholarship programs for students of the School Department

B. Basis of Accounting

The modified accrual basis of accounting is followed by the City of Biddeford School Department. Under the modified accrual basis of accounting, revenues are recorded when received in cash unless susceptible to accrual, i.e., measurable and available to finance the School Department's operations. Expenditures, are recorded when the liability is incurred. However, debt service expenditures, as well as expenditures related to accrued compensated absences, pension liabilities, and claims and judgments, are recorded only when payment is due. 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.

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 one year of the fiscal year-end.

Nonexchange transactions, in which the School Department receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes 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.

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

2. Expenditure Recognition:

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on long-term debt which has not matured are recognized when paid. Allocation of costs, such as depreciation, is not recognized in the governmental funds. However, principal and interest on long-term debt which has not matured are recognized when paid.

C. Budgetary Accounting

A budget is adopted by referendum vote for the General Fund which includes Adult Ed, and is prepared on a basis consistent with generally accepted accounting principles (GAAP) except as described in the Budgetary Accounting footnote on page 9. The level of control (level at which expenditures may not exceed budget) is the budget categories. Generally, all unexpended budgetary accounts lapse at the close of the fiscal year.

D. Interfund Transactions

During the course of normal operations, the 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.

E. Inventories

School Lunch inventories are valued at the lower of cost (first-in, first-out basis) or market. Inventories include the value of U.S. Department of Agriculture commodities donated to the School Lunch Program.

F. Capital Assets

School Department capital assets are reported in the City's Statement of Net Position. In the governmental funds, expenditures for property and equipment are charged to departmental operations whenever such items are purchased.

G. Accrued Compensated Absences

Employees earn vacation time and sick leave in varying amounts based upon their years of service. At June 30, 2017, it was determined that total accrued vacation and sick leave was \$668,474. This amount is recorded as a liability in the City's Statement of Net Position. A liability for these amounts would only be reported in the governmental funds if they have matured, for example, as a result of employee resignations or retirements.

H. 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

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

H. Fund Equity, Continued

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.

The School Committee, through the budget process, has the responsibility for committing fund balance amounts and likewise would be required to modify or rescind those commitments. Likewise, the School Committee, or a body or official delegated by the School Committee may assign unspent budgeted amounts to specific purposes in the General Fund at year end.

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

I. 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.

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary vs GAAP Basis of Accounting

As required by U.S. generally accepted accounting principles (GAAP), the School Department has recorded a revenue and an 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 General Fund and result in a difference in reporting on a budgetary basis of accounting versus reporting under U.S. generally accepted accounting principles of \$2,068,543. These amounts have been included as revenue and as a regular instruction expenditure in the General Fund on Statement 2 (GAAP basis). There is no effect on the fund balance at the end of the year. Similarly, the value of commodities contributed by the USDA to the School Lunch program equal to \$54,557 has been added to both revenues and expenditures on Exhibit B-2 and Exhibit C-2.

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Notes to Basic Financial Statements, Continued

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, CONTINUED

B. Deficit Fund Balances

The following funds had deficit balances at June 30, 2017:

Title IA – disadvantage \$ 6

STATE REIMBURSEMENT FOR DEBT SERVICE EXPENDITURES

The State of Maine currently reimburses the City of Biddeford School Department for a portion of financing costs for the Biddeford Middle School bonds. Continuation of such reimbursements is dependent upon continued appropriations by the State Legislature.

CONTINGENCIES

The School Department participates in a number of federally assisted grant programs. Although the programs have been audited in compliance with the Single Audit Act, these programs are subject to financial and compliance audits by the grantors or their representatives. Accordingly, the School Department's compliance with applicable grant requirements will be established at some future date. The amount, if any, of the expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School Department expects such amounts, if any, to be immaterial.

LONG-TERM DEBT

The following is a summary of long-term debt transactions of the School Department for the year ended June 30, 2017.

Balance as of July 1, 2016	\$ 38,611,655
Additions	20,349,462
Debt retired	<u>(22,998,250)</u>
 Balance as of June 30, 2017	 <u>\$ 35,962,867</u>

General obligation bonds and capital leases payable at June 30, 2017 are comprised of the following individual issues:

	Original amount <u>issued</u>	School <u>portion</u>	Date of <u>maturity</u>	Interest <u>rate</u>	<u>Balance</u>
2004 Middle School construction	\$ 22,830,000	22,830,000	2024	2.00-6.00%	9,113,200
2011 High School renovation	32,000,000	32,000,000	2036	2.00-5.00%	4,150,000
2013 High School renovation 2	1,500,000	1,500,000	2032	2.00-2.50%	1,200,000
2017 Bus #16 note payable	83,170	83,170	2021	2.56%	65,817
2017 Bus #20 note payable	85,122	85,122	2021	2.56%	67,275

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Notes to Basic Financial Statements, Continued

LONG-TERM DEBT, CONTINUED

	<u>Original amount issued</u>	<u>School portion</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance</u>
2017 bond refunding	\$ 26,950,000	19,768,000	2036	2.50-4.00%	19,768,000
2017 BEU equipment purchase	330,000	330,000	2021	2.20%	261,550
Energy upgrades lease	1,560,728	1,560,728	2025	2.35%	1,337,025
Total					\$ 35,962,867

The annual requirements to amortize all debt outstanding as of June 30, 2017 are reported in the City's financial statements.

RISK MANAGEMENT

The School Department is exposed to various risks of loss related to tort, theft, damage to and destruction of assets, errors, omissions, and natural disasters for which the department either carries commercial insurance, or is self insured. Currently, the Department is self-insured for unemployment compensation, thereby retaining the full liability of these risks.

Based on the coverage provided by commercial insurance purchased, the School Department is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2017.

FUND BALANCE

As of June 30, 2017, fund balance components consisted of the following:

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Nonspendable:			
Inventory	\$ -	30,343	30,343
Total nonspendable	-	30,343	30,343
Restricted:			
School lunch program	-	37,541	37,541
Adult education	-	54,231	54,231
School categorical programs	-	44,513	44,513
Capital projects	-	87,203	87,203
Total restricted	-	223,488	223,488
Committed:			
Donations	-	24,436	24,436
School categorical programs	-	113,827	113,827
Unemployment claims	-	47,867	47,867
Total committed	-	186,130	186,130

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Notes to Basic Financial Statements, Continued

FUND BALANCE, CONTINUED

	Other General <u>Fund</u>	Governmental <u>Funds</u>	<u>Total</u>
Assigned:			
Subsequent budget – K-12	\$ 1,184,416	-	1,184,416
Subsequent budget – Adult Education	<u>151,961</u>	-	<u>151,961</u>
Total assigned	<u>1,336,377</u>	-	<u>1,336,377</u>
 Unassigned	 948,719	 (6)	 948,713
Total fund balance	<u>\$ 2,285,096</u>	<u>439,955</u>	<u>2,725,051</u>

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Comparative Balance Sheets
General Fund - School Department and Adult Education
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash and cash equivalents	\$ 17,648	17,146
Due from City of Biddeford	6,562,854	5,872,808
Due from other governments	-	46,162
Accounts receivable	70,941	4,235
Interfund loans receivable	-	141,038
Total assets	\$ 6,651,443	6,081,389
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	614,424	539,804
Accrued wages and benefits payable	3,691,854	2,724,314
Held for others	-	4,640
Interfund loans payable	60,069	-
Total liabilities	4,366,347	3,268,758
Fund balance:		
Assigned	1,336,377	1,693,744
Unassigned	948,719	1,118,887
Total fund balance	2,285,096	2,812,631
Total liabilities and fund balance	\$ 6,651,443	6,081,389

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Statement of Revenues and Expenditures
Budget and Actual - Budgetary Basis
General Fund
For the year ended June 30, 2017

	School Operations			Adult Education			Totals
	Final Budget	Actual	Variance positive (negative)	Final Budget	Actual	Variance positive (negative)	2017 Actual
Revenues:							
Property taxes	\$ 22,483,245	22,483,245	-	315,473	315,473	-	22,798,718
State education allocation	10,644,670	10,644,670	-	154,634	159,647	5,013	10,804,317
State agency clients	30,000	90,920	60,920	-	-	-	90,920
Medicaid reimbursement	-	172,686	172,686	-	-	-	172,686
Tuition and fees	34,964	84,491	49,527	111,871	73,098	(38,773)	157,589
Transportation	50,544	58,855	8,311	-	-	-	58,855
E-rate	10,000	17,585	7,585	-	-	-	17,585
Contributions	55,870	55,870	-	-	-	-	55,870
Rentals	-	18,761	18,761	-	-	-	18,761
Other	165,417	185,793	20,376	-	-	-	185,793
Total revenues	33,474,710	33,812,876	338,166	581,978	548,218	(33,760)	34,361,094
Expenditures:							
Current:							
Regular instruction	12,981,138	12,865,455	115,683	-	-	-	12,865,455
Special education instruction	5,750,102	5,334,931	415,171	-	-	-	5,334,931
Career and technical instruction	2,457,231	2,455,934	1,297	-	-	-	2,455,934
Other instruction	565,072	538,854	26,218	-	-	-	538,854
Student and staff support services	2,026,946	1,973,438	53,508	-	-	-	1,973,438
System administration	1,064,714	1,063,634	1,080	-	-	-	1,063,634
School administration	1,521,062	1,500,846	20,216	-	-	-	1,500,846
Transportation	1,373,479	1,326,656	46,823	-	-	-	1,326,656
Facilities maintenance	3,344,571	3,285,363	59,208	-	-	-	3,285,363
All other costs	7,601	7,339	262	-	-	-	7,339
Adult education	-	-	-	649,470	527,133	122,337	527,133
Debt service	4,009,046	4,009,046	-	-	-	-	4,009,046
Total expenditures	35,100,962	34,361,496	739,466	649,470	527,133	122,337	34,888,629
Excess (deficiency) of revenues over (under) expenditures	(1,626,252)	(548,620)	1,077,632	(67,492)	21,085	88,577	(527,535)
Other financing sources:							
Budgeted utilization of surplus	1,626,252	-	(1,626,252)	67,492	-	(67,492)	-
Total other financing sources	1,626,252	-	(1,626,252)	67,492	-	(67,492)	-
Net change in fund balances	-	(548,620)	(548,620)	-	21,085	21,085	(527,535)
Fund balances, beginning of year		2,660,671			151,960		2,812,631
Fund balances, end of year	\$	2,112,051			173,045		2,285,096

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Combining Balance Sheet
Other Governmental Funds
June 30, 2017

	Special Revenue Funds	Capital Project Funds	Total Other Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 47,867	-	47,867
Due from other governments	595,073	-	595,073
Accounts receivable	579	7,190	7,769
Interfund loans receivable	76,456	80,013	156,469
Inventory	30,343	-	30,343
Total assets	\$ 750,318	87,203	837,521
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	15,973	-	15,973
Accrued wages and benefits payable	285,174	-	285,174
Interfund loans payable	96,419	-	96,419
Total liabilities	397,566	-	397,566
Fund balances:			
Nonspendable:			
Inventory	30,343	-	30,343
Restricted:			
Capital	-	87,203	87,203
Education	136,285	-	136,285
Committed	186,130	-	186,130
Unassigned	(6)	-	(6)
Total fund balances	352,752	87,203	439,955
Total liabilities and fund balances	\$ 750,318	87,203	837,521

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds
For the year ended June 30, 2017

	Special Revenue Funds	Capital Project Funds	Total Other Governmental Funds
Revenues:			
Intergovernmental	\$ 2,659,850	-	2,659,850
Charges for services	407,946	-	407,946
Contributed commodities	54,557	-	54,557
Other	108,177	47,444	155,621
Total revenues	3,230,530	47,444	3,277,974
Expenditures:			
Current:			
Regular instruction	1,041,176	-	1,041,176
Special education instruction	723,856	-	723,856
Program expenditures	194,431	-	194,431
Adult education	100,336	-	100,336
Food service expenditures	1,160,104	-	1,160,104
Capital expenditures	-	14,858	14,858
Total expenditures	3,219,903	14,858	3,234,761
Net change in fund balances	10,627	32,586	43,213
Fund balances, beginning	342,125	54,617	396,742
Fund balances, ending	\$ 352,752	87,203	439,955

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2017

	School Unemployment Fund	School Lunch Program	Adult Education Grants/Contracts	School Donations	School Categorical Programs	Totals
ASSETS						
Cash and cash equivalents	\$ 47,867	-	-	-	-	47,867
Due from other governments	-	138,596	6,991	-	449,486	595,073
Accounts receivable	-	-	579	-	-	579
Interfund loans receivable	-	-	51,083	25,373	-	76,456
Inventory	-	30,343	-	-	-	30,343
Total assets	\$ 47,867	168,939	58,653	25,373	449,486	750,318
LIABILITIES AND FUND BALANCES						
Liabilities:						
Interfund loans payable	-	74,205	-	-	22,214	96,419
Accounts payable	-	3,198	4,422	937	7,416	15,973
Accrued wages and benefits payable	-	23,652	-	-	261,522	285,174
Total liabilities	-	101,055	4,422	937	291,152	397,566
Fund balances:						
Nonspendable:						
Inventory	-	30,343	-	-	-	30,343
Restricted	-	37,541	54,231	-	44,513	136,285
Committed	47,867	-	-	24,436	113,827	186,130
Unassigned	-	-	-	-	(6)	(6)
Total fund balances	47,867	67,884	54,231	24,436	158,334	352,752
Total liabilities and fund balances	\$ 47,867	168,939	58,653	25,373	449,486	750,318

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:
Nonmajor Special Revenue Funds
For the year ended June 30, 2017

	School Unemployment Fund	School Lunch Program	Adult Education Grants/Contracts	School Donations	School Categorical Programs (Schedule 1)	Totals
Revenues:						
Intergovernmental	\$ -	782,092	44,316	-	1,833,442	2,659,850
Charges for services	28,140	322,892	44,314	-	12,600	407,946
Contributed commodities	-	54,557	-	-	-	54,557
Other	-	129	-	10,513	97,535	108,177
Total revenues	28,140	1,159,670	88,630	10,513	1,943,577	3,230,530
Expenditures:						
Current:						
Regular Instruction	-	-	-	-	1,041,176	1,041,176
Special Education Instruction	-	-	-	-	723,856	723,856
Adult education	-	-	100,336	-	-	100,336
Program expenditures	25,856	-	-	6,787	161,788	194,431
Food Service expenditures	-	1,160,104	-	-	-	1,160,104
Total expenditures	25,856	1,160,104	100,336	6,787	1,926,820	3,219,903
Net change in fund balances	2,284	(434)	(11,706)	3,726	16,757	10,627
Fund balances, beginning of year	45,583	68,318	65,937	20,710	141,577	342,125
Fund balances, end of year	\$ 47,867	67,884	54,231	24,436	158,334	352,752

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Combining Balance Sheet
Nonmajor Capital Project Funds
June 30, 2017
(with comparative totals for June 30, 2016)

	Minor Capital Projects	High School Renovation	Totals	
			2017	2016
ASSETS				
Accounts receivable	\$ 7,190	-	7,190	150
Interfund loans receivable	78,816	1,197	80,013	64,026
Total assets	\$ 86,006	1,197	87,203	64,176
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	-	-	-	9,559
Total liabilities	-	-	-	9,559
Fund balances:				
Restricted	86,006	1,197	87,203	54,617
Total fund balances	86,006	1,197	87,203	54,617
Total liabilities and fund balances	\$ 86,006	1,197	87,203	64,176

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Project Funds
For the year ended June 30, 2017
(with comparative totals for the year ended June 30, 2016)

	Minor Capital Projects	High School Renovation	Totals	
			2017	2016
Revenues:				
Investment income	\$ 386	39	425	1,520
Other	47,019	-	47,019	21,360
Total revenues	47,405	39	47,444	22,880
Expenditures:				
Capital expenditures	5,299	9,559	14,858	203,903
Total expenditures	5,299	9,559	14,858	203,903
Excess (deficiency) of revenues over (under) expenditures	42,106	(9,520)	32,586	(181,023)
Other financing sources (uses):				
Capital lease proceeds	-	-	-	1,560,728
Payment to refinance capital lease	-	-	-	(1,369,541)
Total other financing sources	-	-	-	191,187
Net change in fund balances	42,106	(9,520)	32,586	10,164
Fund balances, beginning	43,900	10,717	54,617	44,453
Fund balances, ending	\$ 86,006	1,197	87,203	54,617

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Combining Statement of Net Position
Fiduciary Funds - Agency Funds
June 30, 2017

	Student Activity Funds
	(Schedules 3-5)
ASSETS	
Cash	\$ 220,533
Total assets	\$ 220,533
LIABILITIES	
Amounts held for students - High School	102,302
Amounts held for students - Middle School	29,580
Amounts held for students - Vocational Center	88,651
Total liabilities	\$ 220,533

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Schedule of Revenues, Expenditures, and Changes in Fund Balances
School Categorical Programs
For the year ended June 30, 2017

	Balances (deficits) June 30, 2016	Revenues	Expenditures	Balances (deficits) June 30, 2017
Federal programs:				
Title IA - disadvantaged	\$ 44	716,634	716,684	(6)
Title I - program improvement	117	2,082	1,985	214
Title I - accountability grant	-	3,000	3,000	-
Local entitlement	-	702,820	702,820	-
Pre-school handicapped	-	21,036	21,036	-
21st century	-	31,627	31,627	-
Title III - ESL	-	15,307	15,307	-
Title IIA - supporting effective instruction	(19)	184,529	184,510	-
Rural education achievement program	-	88,063	88,063	-
Total federal programs	142	1,765,098	1,765,032	208
State programs:				
Federal jobs training (PAL)	16	-	-	16
CTE program improvement	68	36,293	35,986	375
Transition proficiency	2,483	32,051	-	34,534
PEPG grant	4,077	-	-	4,077
DHHS - H1N1 vaccine	3,325	-	-	3,325
Advanced placement for all	56	-	-	56
Communities for children	768	-	-	768
NSTA grant	1,148	-	-	1,148
Total state programs	11,941	68,344	35,986	44,299
Other programs:				
Professional education services	956	-	-	956
MELMAC	6,628	12,600	15,785	3,443
Let's go	681	3,000	3,465	216
Nellie Mae education fund	4,857	14,500	11,065	8,292
York County fine arts program	1,483	12,600	12,644	1,439
Cultural enrichment	101,491	22,320	51,311	72,500
Alumni	685	20,040	10,000	10,725
Cohen foundation	-	25,000	21,532	3,468
BPS playground fund	30	-	-	30
Fast track	1,039	-	-	1,039
STEM/guitar	12	-	-	12
JFK playground fund	11,613	75	-	11,688
BIS playground fund	19	-	-	19
Total other programs	129,494	110,135	125,802	113,827
Totals	\$ 141,577	1,943,577	1,926,820	158,334

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Combining Schedule of Additions, Deductions, and Changes in Net Position
Scholarship Funds
For the year ended June 30, 2017

	Balances				Balances
	June 30,	Investment			June 30,
	2016	income	Contributions	Scholarships	2017
Albert "Bruce" Brunelle scholarship	\$ 2,039	11	-	-	2,050
Cheryl D'Amico	4,520	22	-	-	4,542
Aguiar Family scholarship	32,223	585	-	-	32,808
Hayes Family scholarship fund	7,957	72	-	-	8,029
Combined scholarships	30,923	168	-	-	31,091
Ruth Dearborn scholarship	3,586	19	-	-	3,605
Ruth E. Bailey memorial fund	4,062	23	-	-	4,085
Alumni fund	31,806	1,588	-	-	33,394
Guy Boucher	9,894	505	-	-	10,399
Saco Lodge	33,196	1,702	-	-	34,898
Thursday club	29,101	2,363	-	1,000	30,464
Vocational scholarship	10,033	610	-	-	10,643
BHS trust fund	40,224	3,592	-	467	43,349
Mike Landry	25,532	3,281	-	1,500	27,313
AHEPA Chapter 252	21,760	1,889	-	-	23,649
Kerry Anton scholarship	53,208	4,532	-	-	57,740
Subtotal	340,064	20,962	-	2,967	358,059
Additional scholarships (held in activity funds)	37,533	46,454	-	24,113	59,874
Totals	\$ 377,597	67,416	-	27,080	417,933

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Schedule of Cash Receipts, Disbursements, and Changes in Balances
High School Student Activity Funds
For the year ended June 30, 2017

	Balances (deficits) June 30, 2016	Cash receipts	Cash disbursements	Balances (deficits) June 30, 2017
Art club	\$ 349	-	-	349
Athletic department	1,484	39,948	34,369	7,063
BASS club	200	-	-	200
Band	438	9,963	2,175	8,226
Boys baseball	5,942	4,246	4,971	5,217
Boys basketball	3	14,264	14,071	196
BHS -- the abyss	311	170	-	481
BHS environmental	825	-	-	825
Biddeford hoops	-	3,370	-	3,370
Biddeford robotics	-	9,347	8,291	1,056
BHS treasurer	270	-	-	270
Biddeford tiger outlet	222	-	112	110
Boys state/girl state	1,745	-	-	1,745
Challenge day	799	-	390	409
Cheering	1,590	6,705	7,616	679
Civil rights team	1,125	-	-	1,125
Class of 2009	150	-	-	150
Class of 2010	83	-	-	83
Class of 2011	1,456	-	-	1,456
Class of 2012	4,484	-	-	4,484
Class of 2013	2,823	-	2,823	-
Class of 2017	11,526	19,130	26,048	4,608
Class of 2018	543	16,977	8,104	9,416
Class of 2019	965	4,941	2,353	3,553
Class of 2020	-	4,543	3,162	1,381
Community day	(128)	-	-	(128)
Cousen's essay	3,700	353	-	4,053
Cross country	690	700	-	1,390
English department (City Theatre)	(15)	-	-	(15)
English department	935	-	214	721
English (Portland Stage)	150	-	-	150
Field hockey	(165)	8,478	9,022	(709)
Football	193	7,398	6,907	684
G.S.T.A.	1,125	-	-	1,125
Gifted and talented	1,451	9,679	10,203	927
Girls basketball	539	1,151	1,050	640
Global studies	218	-	-	218
Golf	(47)	-	-	(47)
Graduation	-	1,259	590	669
Guidance department	373	257	257	373
Industrial arts department	533	1,325	625	1,233
Interact	435	771	768	438

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Schedule of Cash Receipts, Disbursements, and Changes in Balances
High School Student Activity Funds
For the year ended June 30, 2017

	Balances (deficits) June 30, 2016	Cash receipts	Cash disbursements	Balances (deficits) June 30, 2017
International club	\$ 1,847	17,868	19,060	655
J.M.G. opportunity aware	853	1,600	1,319	1,134
Journalism - The Roar	204	-	-	204
Lacrosse	-	9,241	8,895	346
Making the grade caterers	60	-	-	60
Math department	187	-	54	133
Media center	1,170	108	337	941
MLTI	7,349	9,667	7,478	9,538
Mock trial	258	-	-	258
Musical theatre	5,240	4,793	10,733	(700)
National Honor Society	(29)	1,422	1,460	(67)
Natural helpers	(443)	-	-	(443)
Odyssey of the Mind	169	16,931	16,659	441
Office	2,507	7,232	6,337	3,402
Other	(3,601)	-	-	(3,601)
Outing club	87	-	-	87
Photography	171	-	-	171
Physical education dept.	282	-	-	282
Retirement fund	(22)	-	-	(22)
Scholarship fund	37,533	46,454	24,113	59,874
Science club	2,885	-	816	2,069
Soccer-girls	166	-	-	166
Softball	93	490	570	13
Student council	2,030	20	421	1,629
Swim team	4,441	-	-	4,441
Swimming and diving 2009	(2,399)	-	-	(2,399)
Ted X	97	-	-	97
Tennis-boys	24	-	-	24
Tennis-girls	1	1,888	1,809	80
Tiger town	953	30	-	983
Track-indoor / outdoor	4,002	2,367	3,732	2,637
Theatre cass project	784	-	-	784
Visual fine arts	(731)	-	-	(731)
Vocal arts	1,031	11,903	10,826	2,108
Volleyball	3,959	6,812	9,842	929
Wrestling	418	750	595	573
Yearbook olympian	431	23,759	23,588	602
Unclassified	7,053	251	-	7,304
Subtotal	126,380	328,561	292,765	162,176
Less: Scholarship Fund (See Schedule 2)	(37,533)	(46,454)	(24,113)	(59,874)
Totals	\$ 88,847	282,107	268,652	102,302

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Schedule of Cash Receipts, Disbursements, and Changes in Balances
Middle School Student Activity Funds
For the year ended June 30, 2017

	Balances June 30, 2016	Cash receipts	Cash disbursements	Balances (deficits) June 30, 2017
7 habits	\$ 11	-	-	11
T4 - Acadia	87	2,531	2,108	510
Heart defibrillator	100	-	-	100
Alternative education	-	500	223	277
Athletics	97	595	635	57
Band	1,372	-	-	1,372
T5 - baxter	88	6,622	5,722	988
Books	14	-	-	14
Cheering	16	-	-	16
Chorus	89	695	695	89
Civil rights	131	43	131	43
Computer	1,243	13,809	11,510	3,542
Culture club	74	-	-	74
DI Global/twisted 7	1,200	-	994	206
Drama club	-	2,001	1,675	326
Foreign language	501	238	739	-
Fortunes rocks T2	959	5,437	6,097	299
G & T	29	-	-	29
Hills Beach T1	331	5,300	5,239	392
T7 - Katahdin	495	707	1,043	159
Library	16	128	79	65
Literacy	24	-	-	24
Music	3,315	16,250	11,867	7,698
Newspaper	127	-	127	-
Office	686	35,017	27,735	7,968
Officials	727	3,935	4,722	(60)
Peer	506	908	1,166	248
Persson fund	335	-	182	153
PTO-for field trips	-	484	156	328
Quebec	12	-	12	-
Sewing	-	173	171	2
Ski Club	395	8,019	7,509	905
Spanish club	417	-	-	417
Special education	799	-	121	678
Student council	455	596	942	109
T6 - Sugarloaf	561	2,771	2,635	697
Swim team	1,594	-	-	1,594
Unified arts	-	2	-	2
Washington trip	-	6,810	6,809	1
Yearbook	3,129	4,676	7,558	247
Totals	\$ 19,935	118,247	108,602	29,580

CITY OF BIDDEFORD SCHOOL DEPARTMENT
Schedule of Cash Receipts, Disbursements, and Changes in Balances
Vocational School Student Activity Funds
For the year ended June 30, 2017

	Balances June 30, 2016	Cash receipts	Cash disbursements	Balances June 30, 2017
Office	\$ 277	2,579	2,532	324
Draft account	36,382	16,040	9,073	43,349
SAC	1,952	3,682	4,045	1,589
Building trades	2,592	2,850	4,306	1,136
Auto body	5,619	8,910	9,177	5,352
Auto mechanics	2,722	7,169	4,997	4,894
Comp. in bus.	426	-	-	426
Drafting	5	-	-	5
Electrical	5,482	1,452	2,120	4,814
Health account	10	-	-	10
Medical assistant	1,756	263	355	1,664
Machine trade	14,769	2,240	1,314	15,695
Child care	2,247	8,342	5,904	4,685
Student of the month	35	500	420	115
Accounting	2,542	-	-	2,542
Welding	2,275	60	284	2,051
Totals	\$ 79,091	54,087	44,527	88,651