

*Our mission is to provide rigorous and varied educational opportunities that challenge and engage all students to attain their highest level of intellectual, social, physical, and emotional growth. (2007)*



**LITCHFIELD SCHOOL BOARD**

Litchfield, New Hampshire 03052

**B. Bourque, Chair**  
**C. Harrison, Vice Chair**  
*School Board Edition*

**Draft Minutes for March 17, 2021**

**Location: Litchfield Town Hall**

**In Attendance:**

B Bourque  
C Harrison  
E MacDonald, Board Member (*Remote*)  
Heide Ames, Board Member  
T Hershberger, Board Member  
Dr. Michael Jette, Superintendent (*Remote*)  
Cory Izbicki, Business Administrator  
Tom Lecklider, Principal, LMS  
Michele E. Flynn, Administrative Assistant

**I. PUBLIC SESSION**

**5:00 p.m.**

**A. Call to Order**

Dr. Jette called the meeting to order at 5:09 p.m.

**B. Pledge of Allegiance**

**C. Review & Revision of Agenda**

There were no revisions to the agenda.

**D. School Board Reorganization**

● **Welcome New or Re-Elected Members**

Dr. Jette welcomed new Board member Heidi Ames and re-elected member, Elizabeth MacDonald.

● **Nominations for Chair**

Dr. Jette asked for nominations for Board Chair.

● **Nominations for Vice Chair**

Mr asked for nominations for Vice Chair.

● **Signing of Code of Ethics / Code of Conduct**

All School Board members signed the School Board Code of Ethics and School Board Code of Conduct.

● **Committee Assignments**

School Board members volunteered for committee assignments:

Budget Committee: C Harrison

Facilities Improvement Committee: B Bourque, C Harrison

Grading & Reporting/Competency Committee: T Hershberger

Joint Loss Management Committee Technology Committee Wellness Committee: E MacDonald

PERC: E MacDonald

School Start Time Task Force: H Ames

Technology Committee: TBD

Wellness Committee: T Hershberger

LEA Negotiations: H Ames, B Bourque

LSSA Negotiations: E MacDonald, T Hershberger

**E. Summary of Non-Public Actions from March 3, 2021:**

*Mrs. Harrison made a motion to approve the February 17, 2021 non-public minutes. Mr. Meyers seconded. The motion carried 5-0-0.*

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*Mr. Bourque made a motion to accept the resignation of Kathleen Oakes, CHS Special Education teacher. Mrs. MacDonald seconded. The motion carried 5-0-0.*

*Mr. Bourque made a motion to accept the resignation of Susan Seabrook, GMS Nurse. Mrs. Hershberger seconded. The motion carried 5-0-0.*

*Mr. Bourque made a motion to accept the resignation of Margaret Sawicki, GMS Special Education teacher. Mrs. MacDonald seconded. The motion carried 5-0-0.*

*Mr. Bourque made a motion to accept the re-nominations of school and district staff for the 2021-2022 year as presented. Mrs. Hershberger seconded. The motion carried 5-0-0.*

#### **F. Presentations and Recognitions**

- **CHS Baseball Fundraiser Proposal**

Principal Lonergan and Mr. Knight, CHS Athletic Director, presented a proposal for a prize calendar fundraiser for CHS Baseball. Mr. Knight indicated the long term goal is to get a turtle dome that will be located behind the athletes so that the baseballs stay on the field and do not travel into the parking lot, as well as the purchase of an indoor batting cage.

***Mrs. Hershberger made a motion to approve the CHS Baseball Fundraiser as presented. Mrs. Ames seconded. The motion carried by roll call vote: Mrs. Harrison, yes; Mr. Bourque, yes; Mrs. MacDonald, yes; Mrs. Hershberger, yes; Mrs. Ames, yes.***

#### **G. Community Forum** *Public Attendance: by Google Meet only*

*Public comments shall be made without expectation of a response by any School Board Members to matters raised by such commentary. Comments and statements may be made on matters of public concern directly related to the district's policies, programs and operations. Public commentary shall be limited to 3 minutes per person and must identify the first and last name and address of the commenter.*

There was no community input.

#### **H. Correspondence**

Mrs. Harrison reported she received an email from Susan Rafferty, 33 Century Lane, regarding district travel guidelines for vaccinated persons. Mrs. Rafferty noted the State guidelines say that individuals that are vaccinated and travel outside of New England do not need to quarantine upon returning. She expressed concern over the district's restriction for vaccinated travelers to quarantine before returning to the school buildings and asked that the district follow the State guidelines.

Dr. Jette indicated that he did not receive that communication from the State. He mentioned that Mrs. Rafferty has been posting on the Educator 603 social media site with this information and noted that employees should approach him with these concerns. He commented that the information on social media is not accurate.

#### **I. Comments:**

- **Superintendent:**

- **2021 Election Results (Warrant Articles)**

Dr. Jette recapped results from the March 9 elections: Heidi Ames was elected to the School Board and Elizabeth MacDonald was re-elected to the School Board. He thanked Melissa Castonguay and John York for running for the positions. Article 1 passed without recommendation from the School Board; Article 2 passed by a small margin with Board and Budget Committee recommendations; Article 3 failed by a large margin and was not recommended by the Budget Committee; Article 4 passed by a large margin with both Board and Budget Committee recommendations.

- **2021-2022 School Board Meeting Calendar**

Dr. Jette presented a draft School Board meeting calendar. He indicated that the same structure is being used to schedule meetings for next year. He noted a date for the budget presentation was penciled in and asked the Board to revisit the budget presentation procedure for the upcoming year.

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Mrs. Harrison suggested adding a date for a School Board retreat to discuss goals for the district and outcomes for the Board and committees.

Dr. Jette indicated that he and Mrs. Flynn can plan a retreat for the Board. He noted that, for example, the Bedford Board meets twice per year in retreat for reorganization/training and financial goals.

Mrs. Harrison indicated that a spring and a fall retreat should be planned.

**o 2021 CHS Graduation Date (2020-2021 Calendar)**

Dr. Jette indicated that the Board needs to make an official decision regarding the CHS graduation date. He reported that there have been no snow days this year and the 180th day is June 17. He commented that CHS graduation can easily be held on Friday, June 11, 2021.

***Mr. Bourque made a motion to set CHS graduation on June 11, 2021. Mrs. Harrison seconded. The motion carried by roll call vote: Mrs. Harrison, yes; Mr. Bourque, yes; Mrs. MacDonald, yes; Mrs. Hershberger, yes; Mrs. Ames, yes.***

Mr. Bourque asked if there is a date for the LMS 8th grade promotion ceremony.

Mr. Lecklider indicated it is typically held the day before the last day of school. He noted this year it will be structured similar to CHS and it will be held at CHS.

Mrs. Ames commented that she would like to see something similar for GMS 4th Grade Move Up Day.

Dr. Jette noted it makes sense to hold the LMS ceremony at CHS. He commented the preference is to have these ceremonies at the home schools; however, parking and access at LMS presents a problem for both families attending the ceremony and emergency responders who would not be able to access the school in the event of an emergency.

**o Text Messaging**

Dr. Jette announced that the district now has the ability within the student information system (PowerSchool) for text messaging. He explained that the staff members that currently send messages to parents will be limited to 160 characters. He indicated we will roll out this service to families who will receive a text message to opt in to the text messaging service. He noted this will be communicated to families prior to receiving the opt in notification.

Mrs. Harrison asked if staff or students will have the ability to use that text feature. Dr. Jette indicated he would investigate.

Mrs. Hershberger suggested including links to documents when sending messages out by text. She asked how people update their own contact information in PowerSchool.

Dr. Jette believes that they can only update their contact information during the new enrollment process. He indicated each year people will have an opportunity to update their information.

**• School Board**

Mr. Bourque congratulated Mrs. Ames and Mrs. MacDonald for their victories in the election. He congratulated Mrs. Harrison upon being elected Board Chair. He indicated that he and Mrs. Harrison have a good working relationship and looks forward to this year's accomplishments.

Mrs. Harrison believes this is a strong school board and indicated she is excited to work with all Board members.

Mrs. Ames thanked all those that voted for her. She indicated she is excited to work with the Board to create the best environment for all children.

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**II. GENERAL BUSINESS**

**A. Public Minutes:**

- **March 3, 2021**

*Mrs. Harrison made a motion to approve the public minutes of March 3, 2021. Mr. Bourque seconded. The motion carried by roll call vote: Mrs. Harrison, yes; Mr. Bourque, yes; Mrs. MacDonald, yes; Mrs. Hershberger, yes; Mrs. Ames, abstain.*

**III. REPORTS**

**A. LMS Principal's Report**

Principal Lecklider reported student council and math department raised over \$4700 for St. Jude's Hospital this year; the virtual pep rally was successful; and the LMS logo is almost ready to be published online. He thanked Mrs. Hershberger for organizing the blood drive at LMS.

- **FIRST Robotics**

Mr. Lecklider indicated that Mrs. Corbeil, LMS Technology teacher, would lead the Robotics presentation. He commented that LMS continues to plow forward in the area of STEM. He indicated that Mrs. Corbeil and Mr. Momnie are assets to our Robotics team and their focus is 21st Century skills: Critical Thinking, Creativity, Collaboration/Teamwork, Communication.

Mrs. Corbeil indicated that they have received funding through grants and donors to pay for competition registration fees, a robot kit and spike kits.

Mr. Lecklider commented one of the areas of our program is FIRST Lego League, which consists of four teams working on programming skills, coding skills, and robot assembly..

Mrs. Corbeil commented there are three more components to LMS Robotics. She indicated that LMS Robotics was granted funds for a second kit for the FIRST Tech Challenge, for which there are two teams and two working robots. The Coder Z program (working on coding platforms) is a fully remote program with 30 students who participated in the fall. iRobot Root Programming teaches basic block coding and problem solving skills where students program roots (small robots) to move around and follow direction.

Mrs. Hershberger asked if these programs are integrated into the curriculum somehow.

Mrs. Corbeil indicated when we find something that works we want to bring it to as many students as we can, but it is not a strict curriculum based program. She noted some of the other programs will move in and out of the curriculum program for technology (coding, iRobot). She commented the Discovery Ed programming could potentially be used in all three schools and integrated into our curriculum.

**B. Business Administrator's Report**

Mr. Izbicki provided his report for the Board. He reported that the district is moving forward with the LMS renovation project and met with the construction companies yesterday. He noted the decision and recommendation for the vendor will be discussed in non-public session. He indicated the following updates are included in his report: the DW Ventilation Project, Year to Date financial information that includes a list of proposed year-end considerations, food service comparative statements that reflects a loss in local revenue and that we will be subsidizing from the food service fund at the end of year. Also included in the report is a summary of the budget with total appropriations, and he mentioned the audit report has been received this evening. Mr. Izbicki would like to review the findings with the Administrative Team before submitting it to the Board.

Dr. Jette indicated that he will meet with Mr. Izbicki on Friday to discuss year end considerations. He mentioned that he would like to fine tune the list and come back to the Board with a refined list to act upon earlier than June.

Mrs. Hershberger asked if the LMS kitchen renovation will be included in the LMS renovation project.

Dr. Jette indicated that a physical evaluation with the architect is necessary to determine the best option.

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- **Consultants' Agreement Mar 2021**

Mr. Izbicki spoke to the consultants' agreement between the district and Windy Hill Associates/DDR Mechanicals. He indicated that there is much value that Dave Ely and Dick Henry bring to the district and we are in a better situation since they began their work with the ventilation system.

- **Budget Transfers**

*Mr. Bourque made a motion to approve the Budget Transfers from July 2020 - March 15, 2021. Mrs. Harrison seconded. The motion carried by roll call vote: Mrs. Harrison, yes; Mr. Bourque, yes; Mrs. Hershberger, yes; Mrs. Ames, yes.*

**C. Committee Reports**

Mrs. Hershberger reported the Grading & Reporting Committee met yesterday and discussed the survey on re-assessments. She commented that she is beginning to understand the 'why' behind re-assessments. She indicated the discussion regarding everyone's ideas about student learning were eye-opening.

**IV. NEW BUSINESS**

**A. NHSBA Legislative Update**

- **Update SB 130**

Dr. Jette reviewed the current legislation with regard to school choice that has been discussed at the State level. He indicated that HB 455 has been retained in committee; SB 130 was voted ought to pass with amendment.

Mrs. Harrison asked Board members if they would like her to send another letter to the Legislature regarding SB 130. Board members agreed.

**B. Policies - Review:**

- **Re-Approval:** *The following policies have been reviewed for changes and were found to have none.*
  - **BGF Rescinding of Policies**
  - **BHC Board-Employee Communications**
  - **BIA New Board Member Orientation**
  - **BIB Board Member Development Opportunities**
  - **BID Payment for Services Rendered by School District Officers**
  - **BIE Board Member Indemnification**
  - **BJ School Board Legislative Program**
  - **BK School Board Memberships**
  - **BKA Liaison with School Board Associations**

*Mrs. Harrison made a motion to approve policies BGF, BHC, HIA, BIB, BID, BIE, BJ, BK, BKA. Mr. Bourque seconded. The motion carried by roll call vote: Mrs. Harrison, yes; Mr. Bourque, yes; Mrs. Hershberger, yes; Mrs. Ames, yes.*

**V. OLD BUSINESS**

**A. Coronavirus Review and Update**

- **Remote Learning Update**
- **Current Situation Update**

Dr. Jette updated the Board regarding the COVID situation in the school buildings:

- **GMS:**
  - 3 positive students/0 staff
  - 5 students quarantined
- **LMS:**
  - 1 positive student/0 staff
  - 4 students quarantined/1 staff quarantine
- **CHS:**
  - 1 positive student/2 positive staff
  - 21 students quarantined/7 staff quarantined.

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Mrs. Ames asked what communication to parents on what positive cases looks like.

Dr. Jette explained when we are informed of exposure we isolate the student or staff member, do contact tracing, verify the impact in the school and notify the parents. He noted when there is no impact in the school it will be communicated through the weekly newsletter and parents have access to the COVID Numbers spreadsheet as it is online.

Dr. Jette reported Principal Lonergan just reported one more positive student case at CHS with a ten student impact. He noted that updated enrollment numbers will be tabulated.

Mrs. Harrison asked about a vaccination clinic for school staff in Litchfield. Dr. Jette indicated that there will be a weekend clinic at Fidelity in Merrimack on March 27 & 28; there will be a clinic at CHS on March 27 that was pursued in conjunction with the Fire Chief and Walgreens. He noted that there will also be an opportunity for staff from St. Francis and Tabernacle at the clinic as well. The second shot will be scheduled for April 17.

**B. Five Year Construction Planning**

Dr. Jette commented that the Board was provided a 5 year construction plan to review at the last meeting. He indicated it is an action plan for the next five years for projects in the buildings that are part of the Capital Improvement Plan and approval of the Board is required.

***Mrs. Harrison made a motion to approve the Five Year Construction Plan as presented. Mr. Bourque seconded. The motion carried by roll call vote: Mrs. Harrison, yes; Mr. Bourque, yes; Mrs. MacDonald, yes; Mrs. Hershberger, yes; Mrs. Ames, yes.***

**C. Policies - Approval:**

- BCAA, School Board Conduct
- BEDA, Public Notification of Board Meetings

***Mrs. Hershberger made a motion to approve policies BCAA and BEDA. Mrs. Harrison seconded. The motion carried by roll call vote: Mrs. Harrison, yes; Mr. Bourque, yes; Mrs. MacDonald, yes; Mrs. Hershberger, yes; Mrs. Ames, yes.***

**VI. MANIFEST**

The manifest was circulated and signed by the Board.

**VII. PUBLIC INPUT**

**A. Community Forum**

Patrick Keefe, President LEA, congratulated Mrs. Ames and Mrs. MacDonald on their elections to the School Board. He also congratulated Mrs. Harrison and Mr. Bourque on their respective nominations. He thanked Mr. Bourque for service as Chair for several years. Mr. Keefe asked if the Board has heard that DHHS announced individuals traveling outside New England do not have to quarantine upon return. He expressed concerns over the district's policy for staff who travel to quarantine before returning to the schools. Mr. Keefe commented when staff members receive the second vaccination on April 17, we will not be fully vaccinated until May 3 and assumed if we travel we will have to quarantine.

Dr. Jette indicated he will review any new guidelines from DHHS and make a decision. He expressed concern with the State's stance regarding guidelines and not being tough enough by passing the decision on to the local district.

Mr. Keefe asked if we are quarantining from travel after April vacation, will there be an opportunity to teach remotely?

Dr. Jette indicated he will have to consider that carefully due to the supervision gap with teachers teaching remote and students in the building.

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**VIII. NON-PUBLIC SESSION: RSA 91-A:3II (a-c)**

*[Minutes of Non-Public Session are written under separate cover.]*

*Upon a motion made by Mrs. Harrison, the Board entered into non-public session at 7:43 p.m. under RSA 91-A:3II (a) The dismissal, promotion or compensation of any public employee or the disciplining of such employee, or the investigation of any charges against him, unless the employee affected (1) has a right to a meeting and (2) requests that the meeting be open, in which case the request shall be granted. (b) The hiring of any person as a public employee. (c) Matters, which, if discussed in public, would likely affect adversely the reputation of any person, other than a member of the body or agency itself, unless such person requests an open meeting. Mr. Bourque seconded. The motion carried by roll call vote: Mr. Bourque, yes; Mrs. Harrison, yes; Mrs. MacDonald, yes; Mrs. Ames, yes; Mrs. Hershberger, yes.*

**IX. RETURN TO PUBLIC SESSION**

*Upon a motion made by Mrs. Harrison, the Board returned to public session at 9:05 p.m. Mrs. Hershberger seconded. The motion carried by roll call vote: Mr. Bourque, yes; Mrs. Harrison, yes; Mrs. MacDonald, yes; Mrs. Ames, yes; Mrs. Hershberger, yes.*

**X. ADJOURN**

*Mrs. Harrison made a motion to adjourn the meeting at 9:05 p.m. Mrs. Hershberger seconded. The motion carried 4-0-0.*

Respectfully submitted,

Michele E. Flynn  
Administrative Assistant to the School Board

# Campbell High School



William D. Lonergan  
Principal  
wlonergan@litchfield.org

Michael D. Perez  
Assistant Principal  
mperez@litchfieldsd.org

Jodi M. Callinan  
Director of School  
Counseling  
jcallinan@litchfieldsd.org

Joshua Knight  
Athletic Director  
jknight@litchfieldsd.org

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*Campbell High School's mission is to join together with parents, students, staff, and community to become  
A collaboration of learners exhibiting character, courage, respect, and responsibility in all aspects of life.*

## Litchfield School District CHS Principal's Monthly Report: Bill Lonergan February 2021

### Enrollment: As of March 31, 2021

●Class of 2024	120 students
●Class of 2023	110 students
●Class of 2022	101 students
●Class of 2021	108 students
Total	439 students

**Presentation:** Rich Paiva-Alvirne CTE Director &  
Eric Frauwirth, Administrator, NH DoE, Bureau of Career Development

### Link to CTE presentation:

<https://mail.google.com/mail/u/0?ui=2&ik=03435c136c&attid=0.1&permmsgid=msg-f:1695837543892713427&th=1788d342e07effd3&view=att&disp=inline>

### Other Discussion Topics:

#### CHS Scheduling Discussion and Principal Recommendation:

Parent Link to Summary Responses:

<https://documentcloud.adobe.com/link/track?uri=urn:aaid:scds:US:aa416971-8543-42f0-8d1f-8283459fee98>

Student Link to Summary Responses:

<https://documentcloud.adobe.com/link/track?uri=urn:aaid:scds:US:6c20174c-a189-48d4-854d-6fab9222d69d>

Faculty Link to Summary Responses:

<https://documentcloud.adobe.com/link/track?uri=urn:aaid:scds:US:d926e442-c347-43a4-bd02-85f088c34115>

**Final Remote/In-School Learning Selections:** Based on our survey of March 26-30, ten families opted for their student to return to In-School, and 3 families opted for their student to go to remote. We have 391 students In School Learners for Qu4 and 48 who will be Remote Learners.

**Covid-19 Update:** We went through a two week period where many staff and students were quarantined and this presented some challenges in terms of class supervision. We only had 4 positive cases as a high point, and potentially 2 cases of in-building transmission. The significant challenge during this time has been having staff working remotely due to quarantine and managing substitutes for those along with routine staff leaves. Currently as of 4/2/2021, we have no positives among our staff and students and quarantines are back to single digits among students and one among staff.



### Recognitions:

- The Top Ten of the Class of 2021 has been released. Congratulations to the following: The **Valedictorian**, number one in the graduating class, is Travis Tucker. The **Salutatorian**, number two for the class of 2021, is Isabella Risitano. The remaining top ten are listed below in numerical order: **Abigail Buxton, Fiona Hyotte, Taylor Sullivan, Marissa Michaud, Hannah Cuvellier, Alyssa Gonzalez, Ryleight Mathieu, and Stephanie Pearl**
- For January, congratulations to Emily Smith as our Senior Student of the Month and our Star of the Month was junior Nick Carignan. Congratulations Emily and Nick!
- For February, congratulations to Andrew Durfee as our Senior Student of the Month to our Star of the Month was Junior Brooke Stoncius. Congratulations to Andrew and Brooke!
- Our February and March CHS Golden Bell Staff Award for February was Julie Green, Librarian and Media Specialist, and March's recipient was Spanish teacher, Liz Anderson-Perez. Congratulations to both of them.
- Congratulations to all of the students inducted to the National Art Honor Society: Alex Shapiro, Alyvia Ashe, Miranda Fay, Kiana Henderson, Ashley Povilaitis, Emily Povilaitis, Anais Smith, and Evelina West. Students were terrific in all ways. Kudos to Denise Freeman and Paula Barry for holding a very intimate and safe event. Thanks also to Julie Green (photos), Carolyn Leite (Star Spangled Banner), former LMS and GMS art teacher Heidi Hale-Miller (Guest Speaker), and Rob Fay of Litchfield Community TV, for your support of the NAHS Induction.
- Junior Matt Grieco did a great job creating our virtual presentation for 8th grade parents. He worked with classmate Nick Carignan to video the presenters, and then Matt built the presentation which was distributed to the 8th grade parents. Thanks to both for your help with this!
- Congratulations to Travis Tucker, as he has been named a Finalist in the National Merit Scholarship Program as a result of his achievement on his PSAT test junior year. Nice job, Travis!
- Junior Class Advisor Kim Barnett and co-President Catherine Carignan presented to the school board on a junior/senior prom, and we appreciate their efforts to offer some of our traditional school events, even in COVID times. Nice job.
- Best wishes to student JJ Dzielgel who completed his HI-SET program at the Upper Room in Derry late in February. Hearing from Elaina at the Upper Room was exciting as she wished him well and expressed to us, "What a great kid!" Nice job JJ.
- Congratulations to our four students who graduated through the Londonderry Night School Program in early February. This includes Ashtin Gregoire, Yasmin Lazaro, Andrew Smith, and Nate Greer. Especially fitting, Yasmin Lazaro was their student speaker addressing the live audience.
- Juniors Elayna Montenero and Mia Kittredge joined with the administration to discuss a spring school spirit celebration on behalf of Student Council. Their good planning is providing a chance to do awesome celebrations as we move toward the warmer weather while keeping safe physical distancing and mask-wearing.
- Senior Tori Allen met virtually with me and seniors from other 32 other NH high schools and their principals to discuss graduation, prom, and senior activities on Thursday. There was a great deal of information shared on safe end of year celebrations occurring at various high schools around the state. Thanks Tori!
- Our FBLA students attended their recent spring competition. Sponsoring them on this virtual trip was Business Teacher Dana Bourassa. Participants included Alyssa Gonzalez, Chloe Steiniger, Maddie Davis, Andrew Durfee, Mike DeCarli, Fiona Hyotte, Aidan Hyotte and Sean Ryan. Congratulations to all for their hard work and recognitions. Alyssa Gonzalez had a 3rd place finish in Accounting I; Maddie Davis was a 3rd place finisher in Business Communications; and Fiona Hyotte placed 3rd in the Insurance and Risk Management Competition. NH FBLA also announced that four more Campbell students achieved the rigorous testing standards and qualified to attend the national virtual conference; congratulations to Matt Dexter-Network Infrastructure Competition,

Sean Ryan-Accounting I-Competition, Aiden Hyotte-Insurance and Risk Management Competition, and Andrew Durfee-Personal Finance-Personal Finance Competition

- We had a number of StuCo students join Advisor Shawn McDonough attending the 2021 NHASC March Virtual Leadership Conference. This included Chloe Steiniger, Riley Gamache, Jackie Gamache, Jocelyn Green, Alex Kirby, and Catherine Carignan
- Congratulations to Carolyn Leite and the students of the LMS and CHS bands for their winter concerts. I happened to watch on Wednesday evening, and I was impressed as I always am by the talent of our musicians. It was good seeing them perform again, albeit it virtually.
- Matt Dexter made All-State as a defenseman playing for the Pembroke-Campbell Hockey team in DIII. Congratulations to Matt on the accolades!
- We want to give a shout out to Jess Lachance, Math teacher down at LMS, for helping out with course selection. So appreciated! The CHS counselors joined students via Google Meets and directed the students but Jess assisted live with making sure the kids are selecting courses correctly.
- Thanks to Mike Perez and his work preparing the CHS Reunification Training for our staff. His last minute shift to allow for a remote viewing was additionally helpful to allow others not in the building to access the training. Win Van Mourek, one of our super subs, stepped in and provided camerawork for Mike Perez during the Reunification Training. Thanks Win!
- We really appreciated the Wagon Wheel Donuts trailer on March 9 courtesy of the CHS PTO. What a nice treat, and a good way to start off a day of intensive PD work.
- Donna Boucher, school nurse, spent much of a school snow day, calling parents from home without much luck, so she came into CHS to successfully contact our 39 quarantining students' parents. Her role has been really important in managing our quarantining and COVID positive community members throughout 20-21.
- The counseling department wanted to recognize Shannon Szepan (PE) who made her health classes available to the counselors so they could work with sophomores on class selections.
- A big thanks to Diane Angelini, Math CF, for joining me with the School Board to talk about curriculum development and collaborative work on competencies in the Math Department.
- We really appreciate all our staff who lent a helping hand (literally) with course selection and thank you to all of the staff for your patience while we pull students to take care of this important process. An extra-special thank you to Shannon Szepan, Kathy Oakes, Sarah Singer, Bill Pothier, Nate Lamy, Michelle Vecchiarello, Jodi Callinan, Jeff Parsons, and Carrie Jurus.
- Thanks to Mike Perez, Jodi Callinan, Josh Knight, Science Teacher Cate Devine, and from LMS Tom Lecklider, Martha Thayer, and Amanda Huyler, LMS 8th grade counselor, for help with our 8th grade parents' night. All did a great job supporting us as we discussed course selection and transitioning these parents into CHS.
- We appreciate the PTO for their Valentine's sweets they delivered to CHS. Thanks to the PTO also for their gift bags for the students.
- Mike Perez performed his incredible juggling act to cover classes throughout the last two weeks of March. We really appreciate his efforts on this. Jodi Callinan and Josh Knight also stepped up and sacrificed their time to chip in with this effort to cover classes when we have been short subs also. A big thanks to Lynn Gnaegy and Paula Barry for helping out down in the fine arts wing to make sure their colleague's classes and students were appropriately supervised. Much appreciation for the extra effort. We are so lucky to have this collaborative effort across all areas here at CHS.
- Dave Gingras and Nate Cooper met with Jodi and me to discuss AP classes and next year's schedule. For a number of our teachers, that work continues as they are still supporting those students whose classes ended first semester as we head towards those tests in the spring. That ongoing dedication is really special and part of the culture among staff here at CHS.
- Kim Barnett was joined by former CHS Math Teacher Dala Johnson supervising the Junior Prom fundraiser at Rocco's over break. It is never easy scheduling supervised activities over break, so we appreciate Kim doing this as well as our former colleague Dala helping with this.

- Our Administrative Assistants this year: Stacie Brasley, Sally Mastarlerz, and Terrie Taylor, as well as Jenn Matthews and Michelle Vecchiarello: what a job managing both the attendance and students, managing the substitutes, the counseling office, the athletics department, and then there is their subbing in classrooms- they are all superstars here at CHS!!!
- Teacher Rachel Phillips quickly responded in the case of a “student down” medical situation in her classroom recently. This was the right call to get emergency responders into the building.
- Staff members Jeff Parsons, Diane Angelini, Sarah Singer, Heather Davis, Rachel Phillips, David Gingras, and Joanne Ray proctored this year’s SAT tests. We thank them all for their commitment to that process. We know it is not easy to give up a day with students to administer these. And to our stand-by’s who did the training and were prepared, Noah Benoit, Kim Barnett, Kim Howe, Dawn Parker, and Kathy Oakes, we thank them for being ready if we needed them.
- Math Instructor Kim Barnett covered multiple classes for us over the course of the SAT testing day for teachers who were proctoring testing. We are greatly appreciative of her support too!
- Also, thanks to CHS, LMS and SAU staff, thanks to all for your collaboration with us and support Tom and Martha during the power outage at LMS. People are so creative and adaptive, and this is where we are at our best, it seems!
- We received a number of nice emails from parents, this one about Jocelyn Duford and teaching a struggling math learner. A key line...”I am impressed by, and grateful for, your efforts. You are teaching my child math, but more than that, you are teaching him to have confidence in his own abilities.” Nice job, Jocelyn.
- I received a very nice letter from a parent regarding Kim Howes, and this was tremendous praise and the work she is doing with a student. Thanks Kim, we are really appreciative of the quality of your effort, and great job!
- An email from a parent...I saw a post “regarding a mother who is so grateful to Mr. Pothier for renewing her son’s interest in science. Three other freshmen moms chimed in how wonderful Bill is and how much their children admire and respect him. This is a testament to Bill’s character and love of teaching. I have always admired Bill and his commitment to our students, his craft and his family.” Well said!!!
- A note from parent Jen Bourque- “Just wanted to send a shout out to Coach Knight for his assistance this week! I left my wallet in the stands on Sunday and I was truly worried. He went out of his way to find it and get it back to me quickly! Thank you so much for your help Josh. I owe you one!!”
- We received a terrific email from a parent re: Nate Cooper, Raheem Chowdhury, and Lynn Gnaegy about doing a terrific job personalizing and connecting with her child. From mom’s email, “As a mom, I couldn't feel more grateful. In a year like this, I feel like it's important for people to be recognized for the good they are doing and these 3 staff members of yours are definitely making a difference.”

### **Instructional, Assessment & Curriculum Highlights**

- CHS NH SAT testing took place on March 24 with students testing from 7:35 until 1:00. We had 85 juniors test and 15 were absent on testing day. Those absent students will take the exam on April 13. Jodi Callinan and Michelle Vecchiarello coordinated the testing and the teachers/staff who proctored ensured the test took place with a minimum of challenges. This year’s students took a digital version with all students online using their Chromebooks. As is normal, we utilized the second floor, north wing of the building and relocated most other classrooms to other locations.
- The second NH- SAS (the statewide Science Assessment) required for the juniors will take place on April 14 for about 3 hours during the day. This testing program is coordinated by science CF Cate Devine along with counselor Jeff Parsons again with a number of CHS staff, primarily science teachers, proctoring the exam. This again will be a digital version of the tests, and as with the SAT,

we take one hallway of CHS and we close that down to most classes, and the juniors are allowed to conclude their school day early when finished testing.

- We are again planning on an end of the year, competency recovery program during the final several days of school similar to what we did at the end of the first semester where students were provided two days of opportunities in classes to recover competency and/or course grades through the opportunity to perform formative and summative work. We have not created that schedule yet, and we will be providing more information on that as we get closer to the middle of May.
- Teachers are in the process of creating Competency Summatives, similar to final exams, but these are assessments that will provide struggling learners to demonstrate mastery in their class specific competencies. These can be a variety of types of summative assessments where students can display what they know and can do, so they can be performance based, project based, written assessment based, or take on other forms dependent upon subject matter and type of competency.
- All departments are continuing to use Wednesday's Early Release Professional Development time to work on curriculum development, common assessments, and competency review and revision. Each is at various stages of the process depending where they are on the timeline of PD work with Mary Widman. They are also at various stages of developing common summatives to use within courses as well as developing and revising competencies for their departments & courses.
- Nate Cooper, Social Studies Teacher and Curriculum Facilitator joined me, Mary Widman, and several other Litchfield Administrators at LMS and GMS for a Competency Based Learning Leadership workshop. This three day workshop finished in late March, and we will continue to take this learning back to the GMS and LMS along with CHS to ensure schools are sharing the same message and understandings about Competency Based Learning.
- Ongoing discussions have been taking place regarding summer work for students taking advanced courses. The district is looking across all schools to review the purpose and effectiveness of summer work for students. Some students have extended school years for very specific purposes, and we are looking at both remediation as well as enrichment opportunities. Those conversations are occurring at the leadership team level and also within the departments.
- **ASVAB** results and interpretations were provided to the juniors who took this assessment on Thursday, Feb 18. The ASVAB is a qualifying test for students interested in joining the military, and it is also used as a good indicator of student areas of strength across a variety of skills and understandings. CHS had 5 students who took the ASVAB this year in the spring testing session.

### **Professional Development & other work:**

- A video presentation about CHS was sent out to 8th grade parents in lieu of an In-Person 8th Grade Parent Night in early February. The CHS Administration met via a Google Meet on Tues, Feb 9 at 6:30pm to answer any 8th grade parent questions. We had a good response to the program, although we definitely do want to provide in-person opportunities hopefully during the 21-22 school year. Counselors did meet with 8th graders (at LMS via Google Meet) on Thurs, Feb 11th to assist with course selection.
- The CHS Graduation Committee has begun its work as of late March now that the date has been set for June 11. We are looking at a similar event to last year with family pods with some changes due to our greater understanding of COVID. For example, we are planning to enlarge the pods to six family members from four last year. We are also going to have the CHS band perform, and we are going to have a class photo taken-physically distant of course with masks- and we are planning on having the students march in this year also. It will be a more closed and intimate graduation but will be again televised on Litchfield Community TV. We are certainly challenged by COVID in terms of our student celebrations, but some senior activities are anticipated to be moving forward. More information will be forthcoming as we move forward into April and May.
- The Juniors are moving forward with their prom planning. Arrangements have been made for an outdoor tented event on May 14, with appetizers, foods, and mask-wearing. We are planning on

allowing dancing, the selection of the prom court, and there will be a DJ. As we get closer to the prom date, depending upon the pandemic challenges, we may restrict outside guests, but at the moment, we are planning on having them attend.

- Science 9 Honors Biology survey and enrollment: Our signups for Honors Biology among our 8th grade students coming up to CHS in the fall, progressed smoothly and we have a group of about 22 students +/- who have signed up after careful consideration with their parents and with their recommendations from their 8th grade science teachers. We believe we had a very thoughtful and reasoned response from all the 8th grade students regarding their science courses for next year and are excited about them joining us at CHS in the fall.
- Based on our meeting with our Remote Parents, we continue to believe we are positively impacting our Remote Learners through this dialogue. Our second meeting had fewer participants, but many positives were noted, and recommendations for improvement were passed along to our staff. We will be having a final meeting tentatively scheduled on May 12 to see how things are going for the 4th quarter. Please do not hesitate to contact teachers if you have concerns about classroom circumstances for your Remote Learners or In-School.
- We are in the process of hiring a part-time teacher for a Senior English Course running in Qu4. Initially I was scheduled for this class as a placeholder, and students were expecting to have me teaching. I would love to go back to teaching for a single class, but this is not the year to do so. This teacher will also be managing the Competency Recovery Students from the 19-20 school year in connection with the classroom teaching assignment.
- With our growing knowledge of the COVID disease, transmission, and safe practices, we have become more effective at providing normalized school activities for students and staff. With our advanced use of virtual means, we are doing a great job minimizing crowd sizes at CHS and in the classrooms, hallways, and different rooms in the building. As a result, we are providing very small celebrations with significant safety measures and physical distance, but with terrific support from Litchfield Community TV. We had a live National Honor Society Induction in the fall, we have held athletics in the fall and spring seasons, and we recently provided a very small National Art Honor Society Induction with a LCTV broadcast and a small group of guests. We are excited about this. However as we get closer to June, some of our more traditional celebrations will not be able to be held as live events due to the larger number of students and parents they will serve. Please keep that in mind.
- Assistant Principal, Mike Perez, working with a small group of students initially, is creating a school-wide group to continue to bring topics of diversity to the forefront here at CHS. While we have relatively limited diversity here at CHS, many of our students will be entering a world after CHS which will definitely be more diverse and requires an understanding and appreciation for what that can bring to CHS. More information will be coming along as he begins to recruit other students and staff to join and move this forward. Please feel free to reach out to him if you have ideas and suggestions.
- Mike is also working on the creation of a CHS Hall of Fame. This would not be solely an athletics-based organization, but would be based on contributions from former students, staff, or community members to society or to CHS across all areas of life. He is currently working with a number of staff and will be providing more information as this gets further developed. It will involve staff, students, and community members to move this program. The purpose of beginning this now is that CHS has been in operation for 20 years, and it is about time we began celebrating those who have been so important at CHS and out in the larger community.
- CHS had 26 sophomores who requested to be scheduled into Alvirne CTE programs for their 21-22 junior year. These students will join the ten seniors who will be entering their second year in their individual programs. We do not have information on students who are enrolling at Pinkerton, and will provide that when available.

### Looking Ahead:

- **April 8, Thursday (1:00-3:00)** - Administrative Team Meeting
- **April 8, Thursday (2:45-4:00)** - Leadership Meeting
- **April 12, Monday (2:30-3:30)** - Guidance Department Meeting
- **April 13, Tuesday (7:00pm)** - PTO - Virtual Meeting

<https://us04web.zoom.us/j/74645204958?pwd=bGswdGVEYmxPZ3RTdWtmRmxzMmYvdz09>

- **April 14, Wednesday (9:30-10:30)** - Chat Team Meeting
- **April 14, Wednesday (9:30-10:30)** - New Teachers Meeting
- **April 15, Thursday (1:00-3:00)** - Administrative Team Meeting
- **April 15, Thursday (2:30-3:30)** - Safety Committee Meeting
- **April 19, Monday (2:30-3:30)** - Guidance Department Meeting
- **April 20, Tuesday (7:00)** - Friends of Performing Arts- Virtual

<https://windhamsd.zoom.us/j/9094352136?pwd=RDJra01saG0rM1FJbE5ucjRmSnEvQT09>

- **April 21, Wednesday (9:30-10:30)** - Chat Team Meeting
- **April 21, Wednesday (2:40-3:40)** - Department Meeting
- **April 21, Wednesday (3:30-4:30)** - Grading- Reporting Committee Meeting
- **April 21, Wednesday (3:00-4:00)** - PERC Meeting
- **April 22, Thursday (1:00-3:00)** - Administrative Team Meeting
- **April 22, Thursday (2:40-3:30)** - Advisory Committee Meeting
- **April 22, Thursday (2:45-4:00)** - Leadership Meeting
- **April 26, Monday (2:30-3:30)** - Guidance Department Meeting
- **April 28, Wednesday (9:30-10:30)** - Chat Team Meeting
- **April 29, Thursday (1:00-3:00)** - Administrative Team Meeting
- **May 3, Monday (2:30-3:30)** - Guidance Department Meeting
- **May 3, Monday (7:00pm)** - Athletic Boosters Meeting-Virtual

[https://www.google.com/url?q=https://netapp.zoom.us/j/99850143485?pwd%3DUDHplQ1k5RHU2VzUxUEovRkFWSkjhQT09&sa=D&source=calendar&ust=1603202386680000&usg=AOvVaw3lhXl\\_QoBR1R5uPuxuywjc](https://www.google.com/url?q=https://netapp.zoom.us/j/99850143485?pwd%3DUDHplQ1k5RHU2VzUxUEovRkFWSkjhQT09&sa=D&source=calendar&ust=1603202386680000&usg=AOvVaw3lhXl_QoBR1R5uPuxuywjc)

- **May 3, Monday (2:40-3:30)** - Faculty Meeting
- **May 4, Tuesday (7:00-7:30)** - Coffee with Admin. Meeting-Virtual
- **May 5, Wednesday (2:30-3:30)** - Assessment & Data Meeting
- **May 5, Wednesday (9:30-10:30)** - Chat Team Meeting
- **May 6, Thursday (1:00-3:00)** - Administrative Team Meeting
- **May 10, Monday (2:30-3:30)** - Guidance Department Meeting
- **May 11, Tuesday (7:00pm)** - PTO-Virtual Meeting

<https://us04web.zoom.us/j/74645204958?pwd=bGswdGVEYmxPZ3RTdWtmRmxzMmYvdz09>

- **May 12, Wednesday (9:30-10:30)** - Chat Team Meeting
- **May 12, Wednesday (9:30-10:30)** - New Teachers Meeting Meeting
- **May 12, Wednesday (4:00-4:30)** - Remote Learners' Parent Meeting - Virtual
- **May 13, Thursday (1:00-3:00)** - Administrative Team Meeting
- **May 13, Thursday (2:45-4:00)** - Leadership Meeting
- **May 17, Monday (2:30-3:30)** - Guidance Department Meeting
- **May 18, Tuesday (7:00)** - Friends of Performing Arts- Virtual

<https://windhamsd.zoom.us/j/9094352136?pwd=RDJra01saG0rM1FJbE5ucjRmSnEvQT09>

- **May 19, Wednesday (9:30-10:30)** - Chat Team Meeting
- **May 20, Thursday (1:00-3:00)** - Administrative Team Meeting
- **May 24, Monday (2:30-3:30)** - Guidance Department Meeting
- **May 26, Wednesday (9:30-10:30)** - Chat Team Meeting
- **May 27, Thursday (1:00-3:00)** - Administrative Team Meeting
- **May 3, Monday (2:30-3:30)** - Guidance Department Meeting
- **May 15, Wednesday (2:40-3:30)** - Advisory Committee Meeting
- **May 19, Wednesday (2:40-3:40)** - Department Meeting
- **May 19, Wednesday (3:30-4:30)** - Grading- Reporting Committee Meeting
- **May 19, Wednesday (3:00-4:00)** - PERC Meeting
- **May 20, Thursday (2:30-3:30)** - Safety Committee Meeting
- **May 27, Thursday (2:45-4:00)** - Leadership Meeting
- **May 27, Wednesday (3:30-4:30)** - Prof. Learning Committee Meeting

**Wilbur H. Palmer  
CTE Center**

**Career & Technical Education**

**CAREER READY  
COLLEGE READY  
LIFE READY**





# WHAT IS CTE?

- Cutting edge, rigorous and relevant education
- Prepares students for high wage, high demand careers
- Real-world experience

**CTE GETS  
YOU READY  
FOR LIFE!**

# Why CTE?

- Explore careers
- Earn credits for college
- Learn real-world skills
- High wage, high demand jobs



# **15 Programs**

**Accounting**

**Air Force JROTC**

**Building Trades**

**Digital Media**

**Careers in Education**

**Computer Science**

**Culinary Arts**

**Drafting & Design**

**Health Science Technology**

**Heavy-Duty Mechanics**

**Marketing**

**Natural Resources (Forestry)**

**Pre-Engineering**

**Veterinary Science**

**Welding Technology**



# Palmer CTE Center Renovations



# Palmer CTE Center Renovations



# Palmer CTE Center Renovations



# Palmer CTE Center Renovations



# Palmer CTE Center Renovations



# Air Force JROTC

- Learn leadership & communication skills
- Study science of aviation, space ops; Honors option for Seniors
- Students will be eligible for our Drone Technology Club
- Excellent for military and non-military bound students!





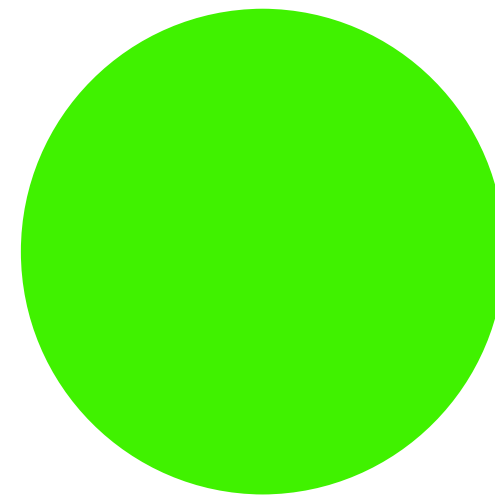
# Building Trades



- Learn to estimate materials, survey work, construction designs and more
- Become OSHA-10 certified and work ready
- **\$87,000/YR**  
Median earnings in NH for Construction Managers

# Computer Science

- Learn graphical & computational programming
- Program in a variety of languages Python, C++, Java
- Prepare for internships and jobs in software programming!



# Careers in Education



- Explore careers in K-12 education
- Students can earn 7 college credits
- Students learn in the classroom and thru teaching experiences

# Culinary Arts



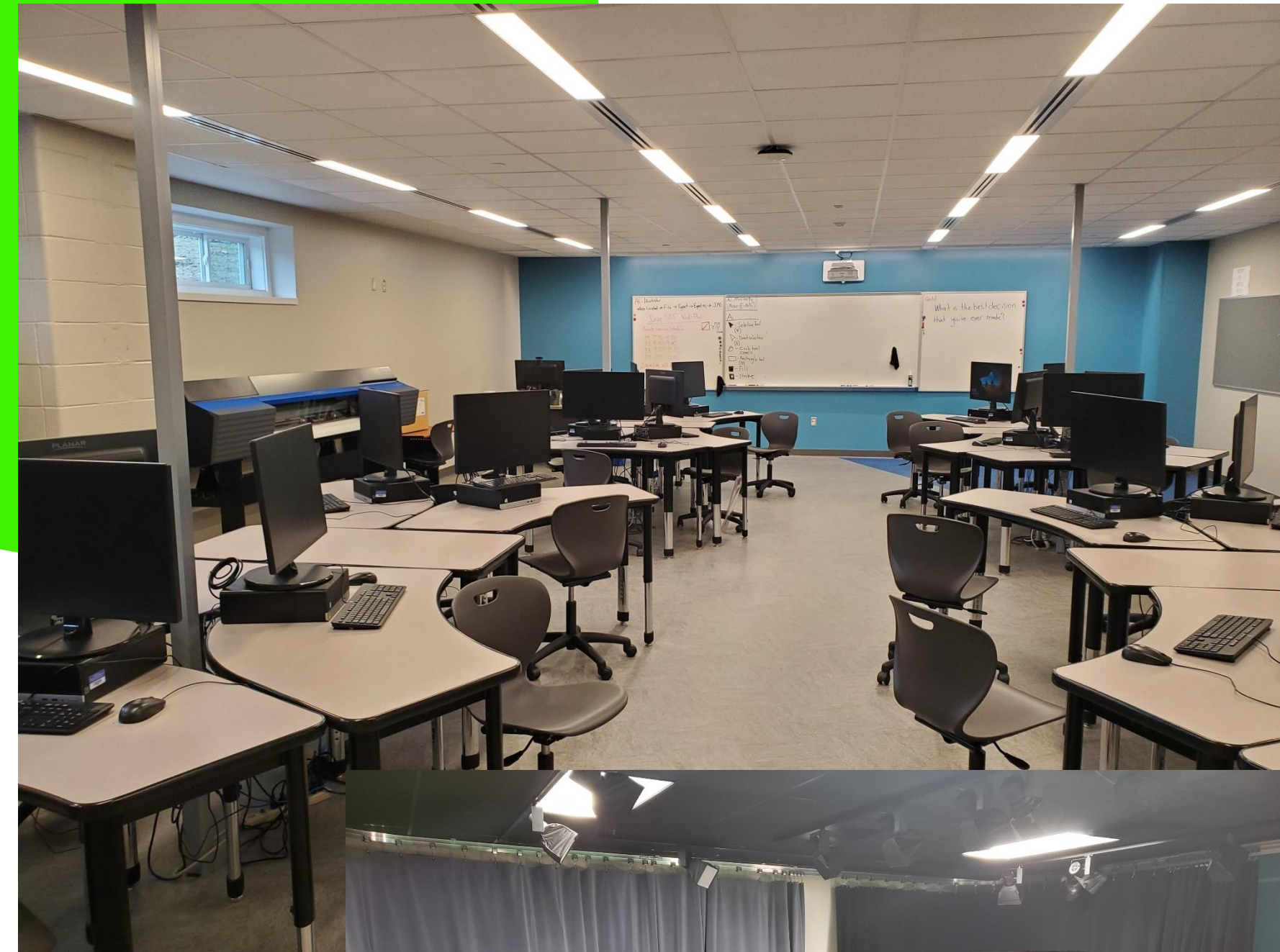
Prepare for a career in the Culinary & Hospitality industry

Learn how to prepare culinary delights in our new, state of the art in-house restaurant

Become ServeSafe certified and a member of the American Culinary Federation

# Digital Media

- Learn with software & equipment used in the graphic & web design industry
- Work in our high tech digital & video production labs
- Students use Adobe Illustrator, Photoshop, Final Cut Pro & more!



# Drafting & Design

Learn advanced design skills using AutoCAD, Inventor & REVIT

Prepare for careers from Architecture to Manufacturing Design



# Pre-Engineering

- Learn key professional skills in order to succeed in engineering fields
- Project Lead The Way - hands on learning finding solutions to real-world problems
- Work & learn in our state-of-the-art Maker Space



# Health Science & Technology



- Prepare for careers in the healthcare industry
- Participate in the Licensed Nursing Assistant (LNA) certification or another clinical area
- Earn 3 college credits from Manchester Community College



# Heavy-Duty Mechanics



- **Students learn the basics of gas, diesel equipment repair**
- **Become OSHA-10 certified**
- **Advanced students will be eligible for paid & non-paid internships**

# Natural Resources

(formerly Forestry)



- Learn how to preserve our environment for the 21<sup>st</sup> century
- Prepare for a career in forestry, ecology or hydroculture
- Students gain skills in resource conservation and management

# Veterinary Science

- Students learn animal handling, grooming, vaccinations and feed analysis

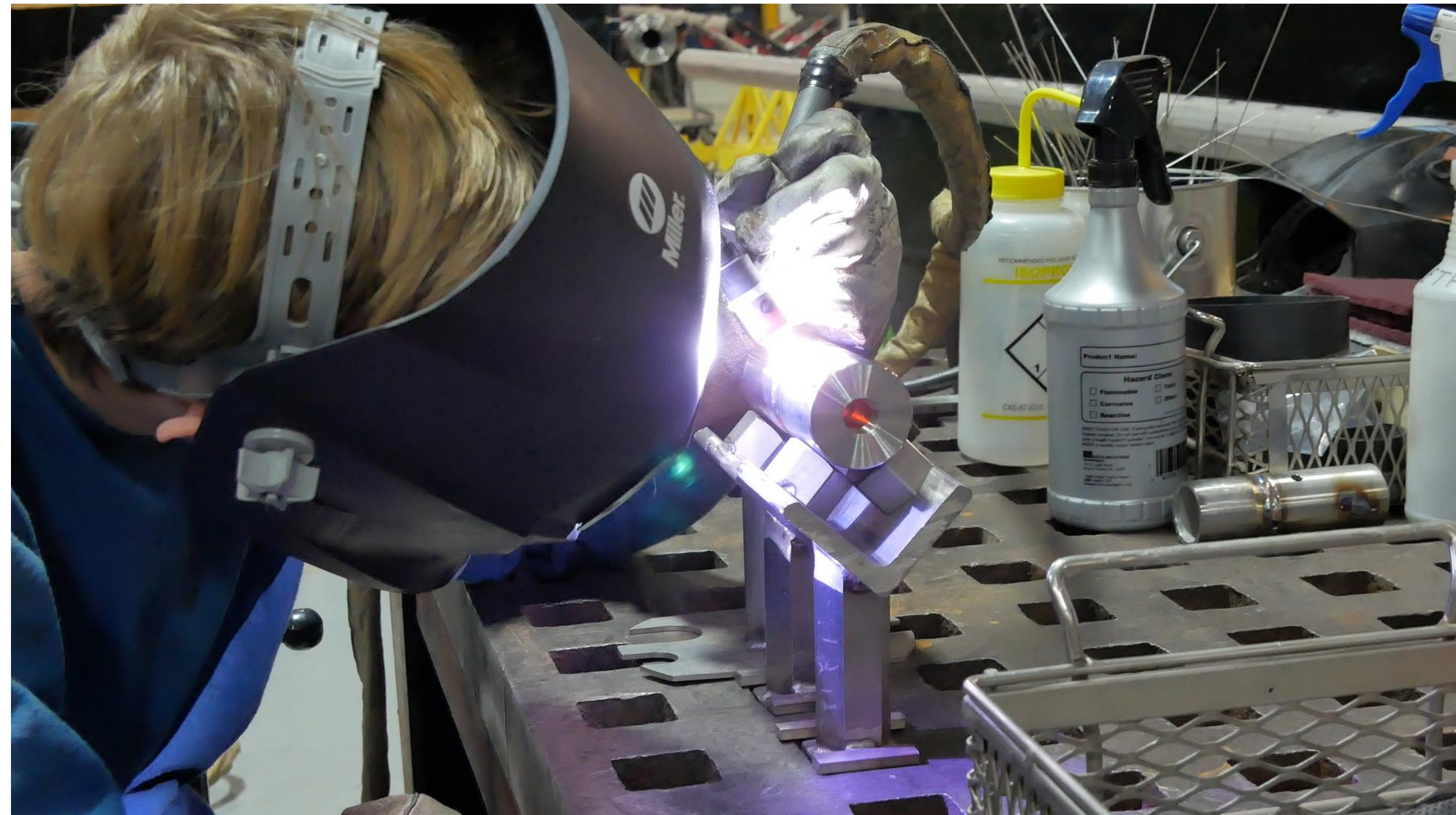
- Only small & large vet science program in NH!

- Work with a variety of animals from dogs, cats, birds, horses & cows



# Welding Technology

- 2-year program students learn MIG, TIG welding
- Program includes OSHA-10 training & certification
- Students are eligible for paid apprenticeships with local companies



# College Credit

**Accounting - Southern NH University**

**Air Force JROTC - Southern NH University & Keene State College**

**Careers in Education - Southern NH University**

**Computer Science - Earn AP credit**

**Culinary Arts - Nashua & Lakes Region Community College**

**Drafting and Design - Nashua Community College**

**Natural Resources/Forestry - Thompson School at UNH\***

**Health Science and Technology Manchester Community College (LNA)**

**Marketing - Nashua Community College**

**Pre-Engineering - NH Technical Institute/Engineering**

**Veterinary Science - SUNY/Cobleskill & Great Bay Community College**

**Welding Technology - Manchester Community College**

**Heavy Duty/Diesel Mechanics - White Mountain Community College\***

*\*Programs are in process for Running Start/Dual Enrollment*

# Internships & Apprenticeships

## Industry Partners

Spraying Systems

Nashua Country Club

Hudson School District

Tulley Buick/GMC

Great NH Restaurants

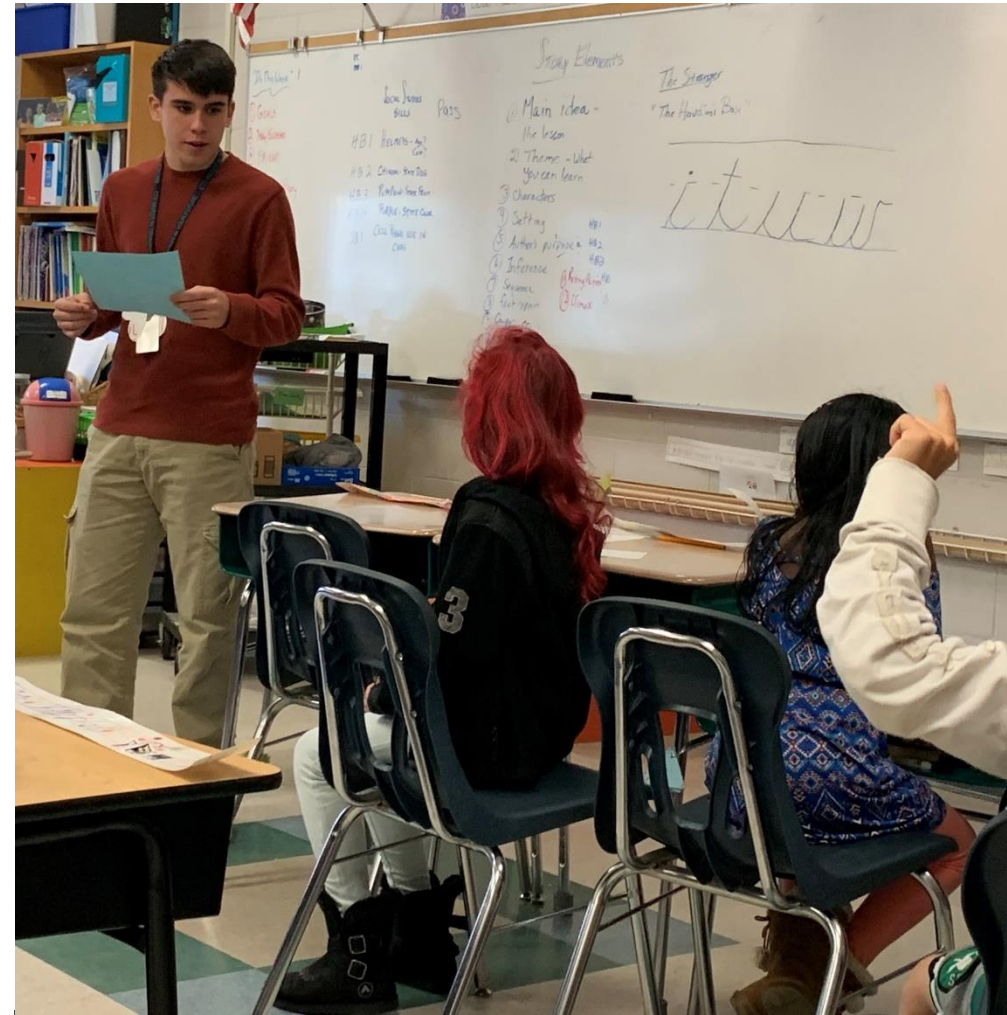
Double Tree by Hilton – Manchester

Pennichuck Water Works

McGee Toyota

Early Start Learning Academy

Town of Hudson – Public Works



# Career & Technical Student Organizations

## CTSO

DECA

HOSA

FFA

Skills USA

Ed Rising



# Key Points for Campbell Students

## TRANSPORTATION

Car or bus?

## SCHEDULE

Periods 1 & 2

(7:25am - 9:00am)

Periods 7 & 8

(12:40pm - 2:10pm)

## CERTIFICATIONS

Welding – OSHA 10, AWS

HD Mechanics – OSHA 10

Snap-On Torque\*

Culinary Arts – ServSafe

Building Trades – OSHA 10

Health Science – LNA

Digital Media – Adobe\*

Veterinary Science – Regional\*

Marketing – Google Analytics\*

Air Force JROTC – Remote Pilot/107\*

*\* In Process*



# CTE Ambassador Program



- Receive training in public speaking, professional communication and business etiquette
- Work with local community groups
- Promote CTE to younger students, within the school and community
- Assist with coordination and facilitation of CTE events

# RESOURCES

[Virtual Open House – 2021 Edition](#)



# RESOURCES

**Virtual Open House – Chapters**

[Link](#)

**“Creating Pathways for Students”**

[Link](#)

**Palmer CTE Center Infographic**

[Link](#)

**Wilbur H. Palmer Center Website**

[Link](#)



**LITCHFIELD SCHOOL DISTRICT**  
**ANNUAL FINANCIAL REPORT**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2020**

**LITCHFIELD SCHOOL DISTRICT**  
**ANNUAL FINANCIAL REPORT**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2020**

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# PLODZIK & SANDERSON

*Professional Association/Accountants & Auditors*

193 North Main Street • Concord • New Hampshire • 03301-5063 • 603-225-6996 • FAX- 603-224-1380

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

To the Members of the School Board  
Litchfield School District  
Litchfield, New Hampshire

We have audited the accompanying financial statements of the governmental activities, major fund, and aggregate remaining fund information of the Litchfield School District as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, major fund, and aggregate remaining fund information of the Litchfield School District, as of June 30, 2020, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As discussed in Note 2-C to the financial statements, in fiscal year 2020 the School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Our opinions are not modified with respect to this matter.

### ***Other Matters***

**Required Supplementary Information** – Accounting principles generally accepted in the United States of America require that the following be presented to supplement the basic financial statements:

- Management's Discussion and Analysis,
- Schedule of the School District's Proportionate Share of Net Pension Liability,

*Litchfield School District  
Independent Auditor's Report*

- Schedule of School District Contributions – Pensions,
- Schedule of the School District's Proportionate Share of the Net Other Postemployment Benefits Liability,
- Schedule of School District Contributions – Other Postemployment Benefits,
- Schedule of Changes in the School District's Total Other Postemployment Benefits Liability and Related Ratios, and
- Notes to the Required Supplementary Information

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Information** – Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Litchfield School District's basic financial statements. The combining and individual fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

February 25, 2021

*Plodzik & Sanderson  
Professional Association*

**LITCHFIELD SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)  
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2020**

The Superintendent of Schools and Business Administrator of New Hampshire School Administrative Unit #27, as management of the Litchfield School District (“District”), we offer readers of the District’s Financial Statements this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with the District’s financial statements.

**1. Financial Highlights**

- The liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows of resources at the close of the most recent year by \$7,324,241 (*net position*). Of this amount, \$(15,944,317) (*unrestricted net position*), had it been positive, may have been used to meet the government’s ongoing obligations to citizens and creditors. The negative unrestricted net position is attributable to the reporting of the District’s proportional share of the actuarially determined retirement system’s unfunded pension liability as well as the District’s proportional share of other postemployment benefits less the system’s net position (“net pension liability”). Reporting the District’s proportional share of the net pension liability does not impact the District’s ability to meet its current obligations.
- The District’s total net position changed by \$(507,326).
- As of the close of the current fiscal year, the District’s governmental funds reported a combined ending fund balance of \$2,005,816, a change of \$878,109 in comparison with the prior year.
  - Contributing factors to the significant increase in governmental fund balance are as follows:
    - A State of Emergency was declared in the State of New Hampshire due to the COVID-19 pandemic. Effective March 16, 2020, all schools in the Litchfield School District transitioned to a remote learning environment for the remainder of the 2019-2020 School Year. The District elected to consolidate operations to Campbell High School and effectively shut down the other two school buildings in the District. Significant savings were recognized in the areas of Utilities, Supplies, and Transportation. As a result of these savings, the District was able to accomplish some significant projects through use of fund balance, as well as lessen the tax burden on residents by returning \$708,778 to offset property taxes.
    - On September 16, 2020, the voters of Litchfield at a special election, appropriated the one-time “Fiscal Disparity Funding” provided by the State of New Hampshire to the Capital Improvement Expendable Trust Fund established at the 2020 Town Meeting. This appropriation added \$659,432 to the trust funds held by the Town of Litchfield Trustees.
- Net change in the unassigned fund balance for the General Fund was \$478,481 with an end of year balance of \$708,778. This balance represents amounts that are not obligated or specifically designated and is available to offset the amount of local school assessment for the subsequent fiscal year.
- Consistent with prior fiscal year, due to the implementation of GASB Statement Nos 68 and 71, the District is required to record its related share of net pension liability of the New Hampshire Retirement



System. The net pension liability is the District's proportionate share of the retirement system's actuarially determined unfunded pension liability less the system's net position. This amount is reported only on the government-wide financial statements and has no impact on the fund financial statements of the District. At the end of the most recent year, our net pension liability is \$20,384,602, an increase of \$665,639, or 3.38% above prior year.

- In addition to GASB statement Nos 68 and 71, the District is required to report in compliance with GASB Statement No 75 *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This statement requires the sensitivity of the Net OPEB liability to the healthcare cost trend assumption. Since the medical subsidy benefits are a fixed stipend, there is no sensitivity to the change in the healthcare cost trend assumption.
- The District did not issue any bonds in fiscal year 2020.

## 2. **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the items reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the time of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The governmental activities of the District include administration, instruction, support services, operations and maintenance, and transportation.

**Fund Financial Statements.** A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are governmental funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, *governmental fund financial statements* focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains four (4) individual governmental funds. Information is presented in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered to be a major fund. Data from the remaining funds (grants, student activity and food service), are considered nonmajor, are combined and reported in aggregate. A separate schedule is provided in the financial statements to show the balances and activities in nonmajor funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* that is required to be disclosed by accounting principles generally accepted in the United States of America.

### 3. **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$7,324,241 at the close of the most recent fiscal year.

The largest portion of the District's net position, \$8,620,076, reflects its investment in capital assets (e.g., land, buildings, and equipment), less any related debt used to acquire those assets that is still outstanding. Capital assets are reported net of accumulated depreciation. The District uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following is a summary of condensed statement of net position and statement of activities for government-wide financial data for the current and prior fiscal years.

Litchfield School District's Condensed Statement of Net Position

	Governmental Activities	
	2020	2019
Current and other assets	\$ 2,684,913	\$ 1,978,209
Capital assets	8,620,076	9,145,110
Total assets	11,304,989	11,123,319
Deferred outflows of resources	4,547,546	4,613,709
Long-term liabilities outstanding	21,333,320	20,850,191
Other liabilities	827,728	806,116
Total liabilities	22,161,048	21,656,307
Deferred inflows of resources	1,015,728	897,636
Net position:		
Net investment in capital assets	8,620,076	9,145,110
Unrestricted	(15,944,317)	(15,962,025)
Total net position	\$ (7,324,241)	\$ (6,816,915)

Litchfield School District's Condensed Statement of Net Position

	Governmental Activities	
	2020	2019
Revenues:		
Program revenues:		
Charges for service	\$ 238,337	\$ 656,363
Operating grants and contributions	812,434	751,082
General revenues	22,049,830	20,941,708
Total revenues	23,100,601	22,349,153
Expenses:		
Administration	2,053,386	2,344,373
Instruction	13,833,996	13,501,592
Support services	3,340,431	2,665,150
Operation and maintenance	2,032,048	2,177,395
Transportation	932,984	1,146,125
Other	923,556	849,884
Noninstructional services	491,526	536,912
Total expenses	23,607,927	23,221,431
Change in net position	(507,326)	(872,278)
Net position - Beginning of year (as restated)	(6,816,915)	(5,944,637)
Net position - End of year	\$ (7,324,241)	\$ (6,816,915)

The balance of *unrestricted net position* of \$(7,324,241), if it were positive, may have been used to meet the District's ongoing obligations to citizens and creditors.

**Governmental activities.** As noted above, governmental activities net position changed by \$(507,326). Key elements of this change are as follows:

Governmental Activities:	
General Fund	\$ 865,999
Nonmajor funds	12,110
Depreciation expense, net of capital asset purchases	(525,034)
Change in net pension obligation, net of deferred resources	(901,809)
Change in compensated absences	41,408
Total	<u>\$ (507,326)</u>

**4. Financial Analysis of the Government's Funds**

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental funds.* The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$2,005,816, which is a change of \$878,109 in comparison with the prior year. Key elements of this change are as follows:

Governmental Activities:	
General Fund	\$ 865,999
Nonmajor Fund	
Student Activities	<u>12,110</u>
Total	<u>\$ 878,109</u>

The general fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$708,778, while total fund balance was \$1,815,918. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 3.4 percent of total general fund expenditures, while total fund balance represents 8.7 percent of that same amount.

As noted above, total fund balance of the general fund changed by \$865,999 during the current fiscal year. Key elements of this change are as follows:

Excess Revenue over budget	\$ 69,097
Expenditures/Transfers Out less than budget	930,116
Use of fund balance as a funding source	(249,498)
Other	107,283
Total	<u>\$ 856,998</u>

**5. General Fund Budgetary Highlights**

There is no change between the total original and total final budget.

**6. Capital Asset and Debt Administration**

**Capital Assets.** The District’s investment in capital assets for its governmental activities as of June 30, 2020, amounted to \$8,620,076 (net of accumulated depreciation). This investment in capital assets includes land, buildings and building improvements, and equipment. The total change in the District’s investment in total capital assets for the current year was \$(525,034).

Major capital asset events during the current fiscal year included the following:

	<u>Amount</u>
Capital asset additions:	
GMS – Preschool Ramp Replacement	\$ 15,072
CHS - Dark Room Ventilation System	13,000
CHS – Secured Entry Way (Completed and reclassified from Construction in Progress)	55,229
Grounds – Vehicle Purchase	26,380
GMS - Intercom Upgrade	13,838
LMS - Intercom Upgrade	15,375

Additional information on the District’s capital assets can be found in the notes to the financial statements, see Note 5.

**7. Request for Information**

This financial report is designed to provide a general overview of the District’s financing for all those with an interest in the District’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Cory Izbicki, Business Administrator, C/O SAU #27, 1 Highlander Court, Litchfield, New Hampshire 03052.

***BASIC FINANCIAL STATEMENTS***

**EXHIBIT A**  
**LITCHFIELD SCHOOL DISTRICT**  
*Statement of Net Position*  
**June 30, 2020**

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,720,676
Other receivables	4,933
Intergovernmental receivable	959,304
Capital assets, not being depreciated	460,792
Capital assets, net of accumulated depreciation	8,159,284
Total assets	11,304,989
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Amounts related to pensions	3,297,943
Amounts related to other postemployment benefits	1,249,603
Total deferred outflows of resources	4,547,546
<b>LIABILITIES</b>	
Accounts payable	113,927
Accrued salaries and benefits	542,309
Noncurrent obligations:	
Due within one year	171,492
Due in more than one year	21,333,320
Total liabilities	22,161,048
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Amounts received in advance of eligible expenses	22,861
Amounts related to pensions	587,932
Amounts related to other postemployment benefits	404,935
Total deferred inflows of resources	1,015,728
<b>NET POSITION</b>	
Net investment in capital assets	8,620,076
Unrestricted	(15,944,317)
Total net position	\$ (7,324,241)

The Notes to the Basic Financial Statements are an integral part of this statement.

**EXHIBIT B**  
**LITCHFIELD SCHOOL DISTRICT**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2020**

	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Instruction	\$ 13,833,996	\$ 208,229	\$ 272,943	\$ (13,352,824)
Support services:				
Student	2,161,041	-	205,023	(1,956,018)
Instructional staff	767,995	-	43,534	(724,461)
General administration	151,007	-	-	(151,007)
Executive administration	572,253	-	-	(572,253)
School administration	1,330,126	-	-	(1,330,126)
Business	411,395	-	-	(411,395)
Operation and maintenance of plant	2,032,048	(115,279)	-	(2,147,327)
Student transportation	932,984	7,281	937	(924,766)
Other	923,556	-	46,889	(876,667)
Noninstructional services	491,526	138,106	194,627	(158,793)
Facilities acquisition and construction	-	-	48,481	48,481
Total governmental activities	<u>\$ 23,607,927</u>	<u>\$ 238,337</u>	<u>\$ 812,434</u>	<u>(22,557,156)</u>
General revenues:				
School district assessment				14,034,770
Grants and contributions not restricted to specific programs				7,685,692
Interest				4,445
Miscellaneous				324,923
Total general revenues				<u>22,049,830</u>
Change in net position				(507,326)
Net position, beginning, as restated (see Note 14)				(6,816,915)
Net position, ending				<u>\$ (7,324,241)</u>

The Notes to the Basic Financial Statements are an integral part of this statement.



**EXHIBIT C-1**  
**LITCHFIELD SCHOOL DISTRICT**  
**Governmental Funds**  
**Balance Sheet**  
**June 30, 2020**

	General	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,502,878	\$ 217,798	\$ 1,720,676
Accounts receivable	4,933	-	4,933
Intergovernmental receivable	866,820	92,484	959,304
Interfund receivables	80,744	32,803	113,547
Total assets	<u>\$ 2,455,375</u>	<u>\$ 343,085</u>	<u>\$ 2,798,460</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 53,224	\$ 60,703	\$ 113,927
Accrued salaries and benefits	542,309	-	542,309
Interfund payable	32,803	80,744	113,547
Total liabilities	<u>628,336</u>	<u>141,447</u>	<u>769,783</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Amounts received in advance of eligible expenditures	<u>11,121</u>	<u>11,740</u>	<u>22,861</u>
<b>FUND BALANCES</b>			
Committed	751,578	-	751,578
Assigned	355,562	189,898	545,460
Unassigned	708,778	-	708,778
Total fund balances	<u>1,815,918</u>	<u>189,898</u>	<u>2,005,816</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,455,375</u>	<u>\$ 343,085</u>	<u>\$ 2,798,460</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

**EXHIBIT C-2**  
**LITCHFIELD SCHOOL DISTRICT**  
*Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position*  
*June 30, 2020*

Total fund balances of governmental funds (Exhibit C-1)		\$ 2,005,816
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources, therefore, are not reported in the governmental funds.		
Cost	\$ 21,105,815	
Less accumulated depreciation	<u>(12,485,739)</u>	8,620,076
Pension and other postemployment benefits (OPEB) related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year, and therefore, are not reported in the governmental funds as follows:		
Deferred outflows of resources related to pensions	\$ 3,297,943	
Deferred inflows of resources related to pensions	(587,932)	
Deferred outflows of resources related to OPEB	1,249,603	
Deferred inflows of resources related to OPEB	<u>(404,935)</u>	3,554,679
Interfund receivables and payables between governmental funds are eliminated on the Statement of Net Position.		
Receivables	\$ (113,547)	
Payables	<u>113,547</u>	-
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the governmental funds.		
Compensated absences	\$ 1,120,210	
Net pension liability	16,434,861	
Other postemployment benefits	<u>3,949,741</u>	(21,504,812)
Net position of governmental activities (Exhibit A)		<u><u>\$ (7,324,241)</u></u>

The Notes to the Basic Financial Statements are an integral part of this statement.

**EXHIBIT C-3**  
**LITCHFIELD SCHOOL DISTRICT**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2020**

	General	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>			
School district assessment	\$ 14,034,770	\$ -	\$ 14,034,770
Other local	117,366	548,507	665,873
State	7,715,941	52,535	7,768,476
Federal	22,378	609,104	631,482
Total revenues	<u>21,890,455</u>	<u>1,210,146</u>	<u>23,100,601</u>
<b>EXPENDITURES</b>			
Current:			
Instruction	12,322,173	520,440	12,842,613
Support services:			
Student	1,773,479	205,023	1,978,502
Instructional staff	697,331	43,534	740,865
General administration	140,824	-	140,824
Executive administration	555,049	-	555,049
School administration	1,294,725	-	1,294,725
Business	344,265	-	344,265
Operation and maintenance of plant	1,995,055	-	1,995,055
Student transportation	932,047	937	932,984
Other	779,097	46,889	825,986
Noninstructional services	-	486,891	486,891
Facilities acquisition and construction	36,252	48,481	84,733
Total expenditures	<u>20,870,297</u>	<u>1,352,195</u>	<u>22,222,492</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,020,158</u>	<u>(142,049)</u>	<u>878,109</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	154,159	154,159
Transfers out	(154,159)	-	(154,159)
Total other financing sources (uses)	<u>(154,159)</u>	<u>154,159</u>	<u>-</u>
Net change in fund balances	865,999	12,110	878,109
Fund balances, beginning, as restated (see Note 14)	949,919	177,788	1,127,707
Fund balances, ending	<u>\$ 1,815,918</u>	<u>\$ 189,898</u>	<u>\$ 2,005,816</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

**EXHIBIT C-4**  
**LITCHFIELD SCHOOL DISTRICT**  
*Reconciliation of the Statement of Revenues, Expenditures, and*  
*Changes in Fund Balances - Governmental Funds to the Statement of Activities*  
*For the Fiscal Year Ended June 30, 2020*

Net change in fund balances of total governmental funds (Exhibit C-3)		\$ 878,109
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which depreciation expense exceeded capitalized capital outlay in the current period.		
Capitalized capital outlay	\$ 149,790	
Depreciation expense	<u>(674,824)</u>	(525,034)
Transfers in and out between governmental funds are eliminated on the Statement of Activities.		
Transfers in	\$(154,159)	
Transfers out	<u>154,159</u>	-
Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.		
Decrease in compensated absences payable	\$ 41,408	
Net change in net pension liability and deferred outflows and inflows of resources related to pensions	(718,516)	
Net change in net other postemployment benefits liability and deferred outflows and inflows of resources related to other postemployment benefits	<u>(183,293)</u>	(860,401)
Change in net position of governmental activities (Exhibit B)		<u><u>\$ (507,326)</u></u>

The Notes to the Basic Financial Statements are an integral part of this statement.

**EXHIBIT D**  
**LITCHFIELD SCHOOL DISTRICT**  
*Statement of Revenues, Expenditures, and Changes in Fund Balance*  
*Budget and Actual (Non-GAAP Budgetary Basis)*  
**General Fund**  
**For the Fiscal Year Ended June 30, 2020**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
School district assessment	\$ 14,034,770	\$ 14,034,770	\$ -
Other local	82,000	88,468	6,468
State	7,650,690	7,715,941	65,251
Federal	25,000	22,378	(2,622)
Total revenues	<u>21,792,460</u>	<u>21,861,557</u>	<u>69,097</u>
<b>EXPENDITURES</b>			
Current:			
Instruction	12,907,558	12,322,173	585,385
Support services:			
Student	1,847,510	1,754,164	93,346
Instructional staff	752,725	705,107	47,618
General administration	121,643	140,824	(19,181)
Executive administration	556,813	555,049	1,764
School administration	1,297,586	1,294,725	2,861
Business	325,675	344,265	(18,590)
Operation and maintenance of plant	2,082,744	2,153,605	(70,861)
Student transportation	1,104,314	932,047	172,267
Other	909,138	773,631	135,507
Facilities acquisition and construction	36,252	36,252	-
Total expenditures	<u>21,941,958</u>	<u>21,011,842</u>	<u>930,116</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(149,498)</u>	<u>849,715</u>	<u>999,213</u>
<b>OTHER FINANCING USES</b>			
Transfers out	<u>(100,000)</u>	<u>(254,159)</u>	<u>(154,159)</u>
Net change in fund balance	<u>\$ (249,498)</u>	<u>595,556</u>	<u>\$ 845,054</u>
Decrease in nonspendable fund balance		1,925	
Increase in committed fund balance		(119,000)	
Unassigned fund balance, beginning, as restated (see Note 14)		230,297	
Unassigned fund balance, ending		<u>\$ 708,778</u>	

The Notes to the Basic Financial Statements are an integral part of this statement.

**LITCHFIELD SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2020**

	<u>NOTE</u>
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**LITCHFIELD SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2020**

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

The financial statements of the Litchfield School District, in Litchfield, New Hampshire (the School District), have been prepared in conformity with U.S. Generally Accepted Accounting Principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and other authoritative sources.

In fiscal year 2020 the School District implemented GASB Statement No. 84, *Fiduciary Activities*, which changed the way fiduciary activities are recorded. See Note 2-C for further information on this pronouncement.

***1-A Reporting Entity***

The Litchfield School District is a municipal corporation governed by an elected 5-member School Board. In evaluating how to define the School District for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth by the GASB. The School District has no component units to include in its reporting entity.

The following is a summary of the more significant accounting policies:

***1-B Government-wide and Fund Financial Statements***

***Government-wide Financial Statements*** – The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the primary government. Generally, the effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported through assessments and intergovernmental revenues.

The *Statement of Net Position* presents the financial position of the School District at year-end. This Statement includes all of the School District's non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position.

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational requirements of a particular function. Assessments and other items not meeting the definition of program revenues are reported instead as general revenues. Resources that are dedicated internally are reported as general revenue rather than program revenue.

***Fund Financial Statements*** – Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds, and are presented in the other governmental column of the fund financial statements.

In the governmental fund financial statements, expenditures are reported by character: current, debt service or facilities acquisition and construction. Current expenditures are subclassified by function and are for items such as salaries, grants, supplies, and services. Debt service includes both interest and principal outlays related to bonds. Capital outlay includes expenditures for equipment, real property, or infrastructure. However, the School District has no debt service expenditures for the current year.

***Other Financing Sources (Uses)*** – These additions to and reductions from resources in governmental fund financial statements normally result from transfers from/to other funds. Transfers are reported when incurred as “transfers in” by the receiving fund and as “transfers out” by the disbursing fund.

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

***Measurement Focus and Basis of Accounting*** – The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, except for custodial funds which do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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Governmental fund financial statements are reported using the *current financial resources* measurement focus and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of reimbursement based grants, which use a period of one year. District assessments, intergovernmental revenue, and other local sources associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**Financial Statement Presentation** – A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to report financial position and the results of operations, to demonstrate legal compliance, and to aid financial management by segregating transactions related to certain government functions or activities.

The School District reports the following major governmental fund:

**General Fund** – is the School District’s primary operating fund. The general fund accounts for all financial resources except those required to be accounted for in another fund. The primary revenue sources include district assessments, state and federal grants, and other local sources. The primary expenditures are for instruction, support services, debt service, and facilities acquisition and construction. Under GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, guidance the General fund portion of student activities fund, and expendable trust funds are consolidated in the general fund.

**Nonmajor Funds** – The School District also reports three nonmajor governmental funds.

**1-D Cash and Cash Equivalents**

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

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

**1-E Receivables**

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

**1-F Capital Assets**

Capital assets are reported in the governmental activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation, if received on or before June 15, 2015. Donated capital assets received after June 15, 2015 are recorded at acquisition value. The School District has established a threshold of \$10,000 or more and an estimated useful life in excess of one year for capitalization of depreciable assets.



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

The accounting and reporting treatment applied to capital assets associated with a fund are determined by the fund’s measurement focus. General capital assets are assets of the School District as a whole. When purchased, such assets are recorded as expenditures in a governmental fund and capitalized as assets in the government-wide Statement of Net Position.

In the government-wide financial statements, the cost of property sold or retired, together with the related accumulated depreciation, is removed and any resulting gain or loss is included in income.

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

	<u>Years</u>
Land improvements	20
Buildings and building improvements	20-30
Equipment	5-15

***1-G Interfund Activities***

Interfund activities are reported as follows:

***Interfund Receivables and Payables*** – Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans). Or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Interfund receivables and payables between funds are eliminated in the Statement of Net Position.

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

***1-H Accounts Payable***

Accounts payable represent the gross amount of expenditures or expenses incurred as a result of normal operations, but for which no actual payment has yet been issued to vendors/providers as of June 30, 2020.

***1-I Deferred Outflows/Inflows of Resources***

***Deferred outflows of resources***, a separate financial statement element, represents a consumption of net position or fund balance that applies to a future period(s) and thus will not be recognized as an outflow of resources (expenses) until then.

***Deferred inflows of resources***, a separate financial statement element, represents an acquisition of net position or fund balance that applies to a future period(s) which will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year.

***1-J Long-term Obligations***

In the government-wide financial statements, long-term obligations are reported as liabilities in the governmental activities Statement of Net Position.

***1-K Compensated Absences***

General leave for the School District includes vacation, and sick pay. General leave is based on an employee’s length of employment and is earned ratably during the span of employment. Upon retirement or termination, employees are paid full value for any accrued general leave earned as set forth by the School District’s personnel policy.

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Vested or accumulated general leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated general leave that are not expected to be liquidated with expendable financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

***1-L Defined Benefit Pension Plan***

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions -- an amendment of GASB Statement No. 27*, and as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* requires participating employers to recognize their proportionate share of collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense, and schedules have been prepared to provide employers with their calculated proportionate share of these amounts. The collective amounts have been allocated based on employer contributions during the respective fiscal years. Contributions from employers are recognized when legally due, based on statutory requirements.

The schedules prepared by New Hampshire Retirement System, and audited by the plan's independent auditors, require management to make a number of estimates and assumptions related to the reported amounts. Due to the inherent nature and uncertainty of these estimates, actual results could differ, and the differences may be material.

***1-M Postemployment Benefits Other Than Pensions (OPEB)***

The School District maintains two separate other postemployment benefit plans, as follows:

***New Hampshire Retirement System Plan*** – For the purposes of measuring the total other postemployment benefit (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Hampshire Retirement System OPEB Plan (the plan) and additions to/deductions from the plan's fiduciary net position has been determined on the same basis as they are reported by the New Hampshire Retirement System. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

***Single Employer Plan*** – For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information has been determined based on the School District's actuarial report. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms.

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

Government-wide statements – Equity is classified as net position and displayed in two components:

**Net Investment in Capital Assets** – Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, or other debt attributable to the acquisition, construction, or improvement of those assets.

**Unrestricted Net Position** – Consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

***Fund Balance Classifications*** – GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, provides more clearly defined fund balance categories to make sure the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

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

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

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

When multiple net position/fund balance classifications are available for use, it is the School District’s policy to utilize the most restricted balances first, then the next most restricted balance as needed. When components of unrestricted fund balance are used, committed fund balance is depleted first followed by assigned fund balance. Unassigned fund balance is applied last.

***1-O Use of Estimates***

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses/expenditures during the period reported. These estimates include assessing the collectability of accounts receivable, and the useful lives of capital assets, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from estimates.

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

***2-A Budgetary Information***

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

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

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

State statutes require balanced budgets but provide for the use of beginning unassigned fund balance to achieve that end. In the fiscal year 2020, \$149,498 of the beginning general fund unassigned fund balance was applied for this purpose. Additionally, \$100,000 was appropriated to fund the School District’s capital reserve funds.

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

While the School District reports financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual is presented for each major governmental fund which had a budget.

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Differences between the budgetary basis and GAAP basis of accounting for the general fund are as follows:

Revenues:	
Per Exhibit D (budgetary basis)	\$ 21,861,557
Adjustments:	
Basis difference:	
GASB Statement No. 54 and 84:	
To add general Fund portion student revenue portion	26,757
Interest earnings related to the blended expendable trust funds	2,141
Per Exhibit C-3 (GAAP Basis)	<u>\$ 21,890,455</u>
Expenditures and other financing uses:	
Per Exhibit D (budgetary basis)	\$ 21,266,001
Adjustments:	
Basis difference:	
Encumbrances, beginning	194,702
Encumbrances, ending	(355,562)
Payments to refunded bond escrow agent	
GASB Statement No. 54 and 84:	
To add General Fund Portion of student activity expenditures	19,315
To remove transfer from the general fund to the blended expendable trust funds	(100,000)
Per Exhibit C-3 (GAAP basis)	<u>\$ 21,024,456</u>

**2-C Accounting Change**

Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, was implemented during fiscal year 2020. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust of equivalent arrangement that meet specific criteria. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or other condition is required to be taken or met by the beneficiary to release the assets. Beginning net position for the fiduciary funds was restated to retroactively report the change in accounting principle, see Note 14.

**DETAILED NOTES ON ALL FUNDS**

**NOTE 3 – CASH AND CASH EQUIVALENTS**

The School District's deposits are entirely covered by federal depository insurance (FDIC) or by collateral held by the School District's agent in the School District's name. The FDIC currently insures the first \$250,000 of the School District's deposits at each financial institution, per case custodian. Deposit balances over \$250,000 are insured by collateral. As of year-end, the carrying amount of the School District's deposits was \$1,720,676 and the bank balances totaled \$1,876,358.

Cash and cash equivalents reconciliation:

Cash per Statement of Net Position (Exhibit A) \$ 1,720,676

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**NOTE 4 – RECEIVABLES**

Receivables at June 30, 2020, consisted of accounts and intergovernmental amounts arising from grants, school lunch program, restricted grants, and expendable trust funds held by the Town of Litchfield Trustees of Trust Funds for the School District. Receivables are recorded on the School District’s financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectability.

**NOTE 5 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2020 consisted of the following:

	<u>Balance, beginning</u>	<u>Additions</u>	<u>Transfers</u>	<u>Balance, ending</u>
At cost:				
Not being depreciated:				
Land	\$ 460,792	\$ -	\$ -	\$ 460,792
Construction in progress	13,528	55,229	(68,757)	-
Total capital assets not being depreciated	<u>474,320</u>	<u>55,229</u>	<u>(68,757)</u>	<u>460,792</u>
Being depreciated:				
Land improvements	45,000	-	-	45,000
Buildings and building improvements	19,943,371	96,829	-	20,040,200
Equipment	493,334	66,489	-	559,823
Total capital assets being depreciated	<u>20,481,705</u>	<u>163,318</u>	<u>-</u>	<u>20,645,023</u>
Total capital assets	<u>20,956,025</u>	<u>218,547</u>	<u>(68,757)</u>	<u>21,105,815</u>
Less accumulated depreciation:				
Land improvements	(8,625)	(2,250)	-	(10,875)
Buildings and building improvements	(11,473,569)	(642,717)	-	(12,116,286)
Equipment	(328,721)	(29,857)	-	(358,578)
Total accumulated depreciation	<u>(11,810,915)</u>	<u>(674,824)</u>	<u>-</u>	<u>(12,485,739)</u>
Net book value, capital assets being depreciated	<u>8,670,790</u>	<u>(511,506)</u>	<u>-</u>	<u>8,159,284</u>
Net book value, all capital assets	<u>\$ 9,145,110</u>	<u>\$ (456,277)</u>	<u>\$ (68,757)</u>	<u>\$ 8,620,076</u>

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

Instruction	\$ 580,619
Support services:	
Operation and maintenance of plant	78,630
Other	15,576
Total depreciation expense	<u>\$ 674,825</u>

**NOTE 6 – INTERFUND BALANCES AND TRANSFERS**

Interfund receivable and payable balances consisting of overdrafts in pooled cash and budgetary transfers at June 30, 2020 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor	\$ 80,744
Nonmajor fund	General Fund	32,803
		<u>\$ 113,547</u>

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Interfund transfers during the year ended June 30, 2020 are as follows:

	Transfers In:
	Nonmajor
	Fund
Transfers out:	
General fund	\$ 154,159

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

**NOTE 7 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

Deferred outflows of resources in the governmental activities at June 30, 2020 consist of amounts related to pensions totaling \$3,297,943 and amounts related to OPEB totaling \$1,249,603. For further discussion on these amounts, see Notes 9 and 10, respectively.

Deferred inflows of resources reported in the governmental funds for unavailable revenues are as follows:

	Governmental Activities	Governmental Funds
Amounts related to pensions, see Note 9	\$ 587,932	\$ -
Amounts related to OPEB, see Note 10	404,935	-
Amounts received in advance of eligible expenditures/expenses	22,861	22,861
Total deferred inflows of resources	\$ 1,015,728	\$ 22,861

**NOTE 8 – LONG-TERM LIABILITIES**

Changes in the School District's long-term liabilities consisted of the following for the year ended June 30, 2020:

	Balance July 1, 2019 (as restated)	Additions	Reductions	Balance June 30, 2020	Due Within One Year
Compensated absences	\$ 1,161,618	\$ 263,595	\$(305,003)	\$ 1,120,210	\$ 171,492
Pension related liability	16,121,674	313,187	-	16,434,861	-
Net other postemployment benefits	3,597,289	352,452	-	3,949,741	-
Total long-term liabilities	\$ 20,880,581	\$ 929,234	\$(305,003)	\$ 21,504,812	\$ 171,492

**NOTE 9 – DEFINED BENEFIT PENSION PLAN**

**Plan Description** – The New Hampshire Retirement System (NHRS or the System) is a public employee retirement system that administers one cost-sharing multiple-employer defined benefit pension plan (Pension Plan), a component unit of the State of New Hampshire, as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans* – an amendment of GASB Statement No. 25. The Pension Plan was established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The Pension Plan is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers within the State are eligible and required to participate in the Pension Plan. The System issues a publicly available financial report that may be obtained by writing the New Hampshire Retirement System, 54 Regional Drive, Concord, NH 03301.

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**Benefits Provided** – The Pension Plan is divided into two membership groups. State and local employees and teachers belong to Group I. Police and firefighters belong to Group II. All assets are held in a single trust and available to pay retirement benefits to all members.

Group I members at age 60 or 65 (for members who commence service after July 1, 2011) qualify for a normal service retirement allowance based on years of creditable service and average final salary for the highest of either three or five years, depending on when their service commenced. The yearly pension amount is 1/60 or 1.667% of average final compensation (AFC) multiplied by years of creditable service. At age 65, the yearly pension amount is recalculated at 1/66 or 1.515% of AFC multiplied by years of creditable service.

Group II members who are age 60, or members who are at least age 45 with at least 20 years of creditable service, can receive a retirement allowance at a rate of 2.5% of AFC for each year of creditable service, not to exceed 40 years. Members commencing service on or after July 1, 2011 or members who have nonvested status as of January 1, 2012 can receive a retirement allowance at age 52.5 with 25 years of service or age 60. The benefit shall be equal to 2% of AFC times creditable service up to 42.5 years. However, a member who commenced service on or after July 1, 2011 shall not receive a retirement allowance until attaining the age of 52.5 but may receive a reduced allowance after age 50 if the member has at least 25 years of creditable service where the allowance shall be reduced, for each month by which the member attains 52.5 years of age by ¼ of 1% or age 60.

Members of both groups may qualify for vested deferred allowances, disability allowances and death benefit allowances, subject to meeting various eligibility requirements. Benefits are based on AFC or earnable compensation and/or service.

**Contributions** – The System is financed by contributions from both the employees and the School District. Member contribution rates are established and may be amended by the State legislature while employer contribution rates are set by the System trustees based on an actuarial valuation. All employees are required to contribute 7% of earnable compensation. For fiscal year 2020, the School District contributed 15.99% for teachers and 10.88% for other employees. The contribution requirement for the fiscal year 2020 was \$1,551,881, which was paid in full.

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions** – At June 30, 2020, the School District reported a liability of \$16,434,861 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District’s proportion of the net pension liability was based on a projection of the School District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating towns and school districts, actuarially determined. At June 30, 2019, the School District’s proportion was 0.34156360% which was an increase of 0.00675579% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the School District recognized pension expense of \$2,270,349. At June 30, 2020, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion	\$ 1,065,515	\$ 100,287
Net difference between projected and actual investment earnings on pension plan investments	-	134,249
Changes in assumptions	589,676	-
Differences between expected and actual experience	90,871	353,396
Contributions subsequent to the measurement date	1,551,881	-
Total	\$ 3,297,943	\$ 587,932

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The \$1,551,881 reported as deferred outflows of resources related to pensions results from the School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	
2020	\$ 821,398
2021	5,064
2022	242,997
2023	88,671
Thereafter	-
Totals	<u>\$ 1,158,130</u>

**Actuarial Assumptions** – The collective total pension liability was determined by an actuarial performed as of June 30, 2018, rolled forward to June 30, 2019, using the following assumptions:

Inflation:	2.5% per year
Wage inflation:	3.25% per year (3.00% for Teachers)
Salary increases:	5.6% average, including inflation
Investment rate of return:	7.25% net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 employee generational mortality tables for males and females, adjusted for mortality improvements using Scale MP-2015, based on last experience study. The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2010 – June 30, 2015.

**Long-term Rates of Return** – The long-term expected rate of return on pension plan investment was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. Following is a table presenting target allocations and long-term rates of return for 2019:

Asset Class	Target Allocation	Weighted average long-term expected real rate of return <u>2019</u>
Large Cap Equities	22.50%	4.25%
Small/Mid Cap Equities	7.50%	4.50%
Total domestic equities	<u>30.00%</u>	
Int'l Equities (unhedged)	13.00%	4.50%
Emerging Int'l Equities	7.00%	6.00%
Total international equity	<u>20.00%</u>	
Core Bonds	9.00%	1.12%
Global Multi-Sector Fixed Income	10.00%	2.46%
Absolute Return Fixed Income	6.00%	1.50%
Total fixed income	<u>25.00%</u>	
Private equity	10.00%	7.90%
Private debt	5.00%	4.86%
Total alternative investments	<u>15.00%</u>	
Real estate	10.00%	3.00%
Total	<u>100.00%</u>	

**Discount Rate** – The discount rate used to measure the collective total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the



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member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the Pension Plan’s actuarial funding policy as required by RSA 100-A:16. Based on those assumptions, the Pension Plan’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on Pension Plan investment was applied to all periods of projected benefit payments to determine the collective total pension liability.

**Sensitivity of the School District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** – The following table presents the School District’s proportionate share of the net pension liability calculated using the discount rate of 7.25% as well as what the School District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

Actuarial Valuation Date	1% Decrease 6.25%	Current Single Rate Assumption 7.25%	1% Increase 8.25%
June 30, 2019	<u>\$ 22,006,956</u>	<u>\$ 16,434,861</u>	<u>\$ 11,829,568</u>

**Pension Plan Fiduciary Net Position** – Detailed information about the pension plan’s fiduciary net position is available in the separately issued New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit Pension Plan financial report.

**NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

**10-A New Hampshire Retirement System (NHRS)**

**Plan Description** – The New Hampshire Retirement System (NHRS or the System) administers a cost-sharing multiple-employer other postemployment benefit plan medical subsidy healthcare plan (OPEB Plan). For additional system information, please refer to the 2019 Comprehensive Annual Financial Report, which can be found on the system’s website at [www.nhrs.org](http://www.nhrs.org).

**Benefits Provided** – Benefit amounts and eligibility requirements for the OPEB Plan are set by State law (RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b), and members are designated in statute by type. The four membership types are Group II, Police Officers and Firefighters; Group I, Teachers; Group I, Political Subdivision Employees; and Group I, State Employees. The OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical insurance subsidy is a payment made by NHRS to the former employer or its insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certified dependent children with a disability who are living in the household and being cared for by the retiree. If the health insurance premium amount is less than the medical subsidy amount, then only the health insurance premium amount will be paid. If the health insurance premium amount exceeds the medical subsidy amount, then the retiree or other qualified person is responsible for paying any portion that the employer does not pay.

Group I benefits are based on creditable service, age and retirement date. Group II benefits are based on hire date, age and creditable service. The OPEB plan is closed to new entrants.

Maximum medical subsidy rates paid during fiscal year 2019 were as follows:

For qualified retirees not eligible for Medicare, the amounts were \$375.56 for a single-person plan and \$751.12 for a two-person plan.

For those qualified retirees eligible for Medicare, the amounts were \$236.84 for a single-person plan and \$473.68 for a two-person plan.

**Contributions** – The OPEB Plan is funded by allocating to the 401(h) subtrust the lesser of: 25% of all employer contributions made in accordance with RSA 100-A:16 or the percentage of employer contributions determined by the actuary to be the minimum rate necessary to maintain the benefits provided under RSA 100-A:53-b, RSA 100-A:53-c, and RSA 100-A:53-d. For fiscal year 2019, the minimum rates determined by the actuary to maintain benefits were the lesser of the two options and were used to

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determine the employer contributions due to the 401(h) subtrust. The State Legislature has the authority to establish, amend and discontinue the contribution requirements of the OPEB Plan. Administrative costs are allocated to the OPEB Plan based on fund balances. For fiscal year 2020, the School District contributed 1.81% for teachers and 0.29% for other employees. The contribution requirement for the fiscal year 2020 was \$160,710, which was paid in full.

**OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB** – At June 30, 2020, the School District reported a liability of \$1,376,939 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The School District’s proportion of the net OPEB liability was based on a projection of the School District’s long-term share of contributions to the OPEB plan relative to the projected contributions of all participating towns and school districts, actuarially determined. At June 30, 2019, the School District’s proportion was 0.31407476% which was an increase of 0.00529382% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the School District recognized OPEB expense of \$39,892. At June 30, 2020, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion	\$ 2,576	\$ -
Net difference between projected and actual investment earnings on OPEB plan investments	-	1,547
Differences between expected and actual experience	-	2,396
Contributions subsequent to the measurement date	160,710	-
Total	\$ 163,286	\$ 3,943

The \$160,710 reported as deferred outflows of resources related to OPEB results from the School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	
2020	\$ (846)
2021	(1,026)
2022	106
2023	399
Totals	\$ (1,367)

**Actuarial Assumptions** – The total OPEB liability in this report is based on an actuarial valuation performed as of June 30, 2018 and a measurement date of June 30, 2019. The total OPEB liability was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Price inflation:	2.5% per year
Wage inflation:	3.25% per year (3.00% for Teachers)
Salary increases:	5.6% average, including inflation
Investment rate of return:	7.25% net of OPEB plan investment expense, including inflation
Health care trend rate:	Not applicable, given that the benefits are fixed stipends

Mortality rates were based on the RP-2014 healthy annuitant and employee generational mortality tables for males and females with credibility adjustments, adjusted for fully generational mortality improvements using Scale MP-2015, based on last experience study.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2010 – June 30, 2015.

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**Long-term Rates of Return** – The long-term expected rate of return on OPEB plan investment was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return net of investment expenses by the target asset allocation percentage and by adding expected inflation.

Following is a table presenting target allocations and long-term rates of return for 2019:

Asset Class	Target Allocation	Weighted average long-term expected real rate of return 2019
Large Cap Equities	22.50%	4.25%
Small/Mid Cap Equities	7.50%	4.50%
Total domestic equities	30.00%	
Int'l Equities (unhedged)	13.00%	4.50%
Emerging Int'l Equities	7.00%	6.00%
Total international equity	20.00%	
Core Bonds	9.00%	1.12%
Global Multi-Sector Fixed Income	10.00%	2.46%
Absolute Return Fixed Income	6.00%	1.50%
Total fixed income	25.00%	
Private equity	10.00%	7.90%
Private debt	5.00%	4.86%
Total alternative investments	15.00%	
Real estate	10.00%	3.00%
Total	100.00%	

**Discount Rate** – The discount rate used to measure the total OPEB liability as of June 30, 2019 was 7.25%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made under the current statute RSA 100-A:16 and that plan member contributions will be made under RSA 100-A:16. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the collective total OPEB liability.

**Sensitivity of the School District's Proportionate Share of the OPEB Liability to Changes in the Discount Rate** – The following table presents the School District's proportionate share of the OPEB liability calculated using the discount rate of 7.25% as well as what the School District's proportionate share of the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

Actuarial Valuation Date	Current Single Rate Assumption		
	1% Decrease 6.25%	7.25%	1% Increase 8.25%
June 30, 2019	\$ 1,493,499	\$ 1,376,939	\$ 1,275,655

**Sensitivity of the School District's Proportionate Share of the OPEB Liability to Changes in the Healthcare Cost Trend Rate** – GASB No. 75 requires the sensitivity of the Net OPEB liability to the healthcare cost trend assumption. Since the medical subsidy benefits are a fixed stipend, there is no sensitivity to the change in the healthcare cost trend assumption.

**OPEB Plan Fiduciary Net Position** – Detailed information about the OPEB plan's fiduciary net position is available in the separately issued New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit OPEB Plan financial report.

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**10-B Retiree Health Benefit Program**

**Plan Description** – GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, requires governments to account for other postemployment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense on the Statement of Activities when a future retiree earns their postemployment benefits, rather than when they use their postemployment benefit. The postemployment benefit liability is recognized on the Statement of Net Position over time.

**Benefits Provided** – The School District provides postemployment healthcare benefits for certain eligible retirees. The School District provides medical benefits to its eligible retirees.

**Employees Covered by Benefit Terms** – At July 1, 2019 the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	6
Active employees	<u>114</u>
Total participants covered by OPEB plan	<u><u>120</u></u>

**Total OPEB Liability** – The School District’s total OPEB liability of \$2,572,802 was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019.

**Actuarial Assumptions and Other Inputs** – The total OPEB liability of \$2,572,802 in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate:	2.21%
Healthcare Cost Trend Rates:	
Current Year Trend	-3.61%
Second Year Trend	9.50%
Decrement	0.50%
Ultimate Trend	5.00%
Year Ultimate Trend is Reached	2030
Salary Increases:	2.00%

The discount rate was based on the index provided by *Bond Buyer 20-Bond General Obligation Index* based on the 20-year AA municipal bond rate as of June 30, 2020.

Mortality assumption changed from SOA RP-2014 Total Dataset Mortality with Scale MP-2017 to SOA RP-2014 Total Dataset Mortality with Scale MP-2019 (Base Year 2006).

**Changes in the Total OPEB Liability**

	June 30,			
	2017	2018	2019	2020
Total OPEB liability beginning of year	\$ 1,375,726	\$ 1,932,339	\$ 2,047,474	\$ 2,183,549
Changes for the year:				
Service cost	82,071	115,689	118,001	143,665
Interest	60,076	68,450	72,661	53,275
Assumption changes	248,666	-	-	703,702
Difference between actual and expected experience	678,376	(28,322)	(18,911)	(441,875)
Change in actuarial cost method	(431,172)	-	-	-
Benefit payments	(81,404)	(40,682)	(35,676)	(69,514)
Total OPEB liability end of year	<u>\$ 1,932,339</u>	<u>\$ 2,047,474</u>	<u>\$ 2,183,549</u>	<u>\$ 2,572,802</u>

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**Sensitivity of the School District's OPEB Liability to Changes in the Discount Rate** – The following presents the total OPEB Liability, calculated using the discount rate of 2.21%, as well as what the total OPEB Liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	Discount Rate		
	1% Decrease	Baseline 2.21%	1% Increase
Total OPEB Liability	\$ 2,850,998	\$ 2,572,802	\$ 2,394,338

**Sensitivity of the School District's OPEB Liability to Changes in the Healthcare Cost Trend Rates** – The following presents the total OPEB Liability, calculated using the trend rate of (3.61%), as well as what the total OPEB Liability would be if it were calculated using a trend rate that is one percentage point lower or one percentage point higher than the current rate:

	Healthcare Cost Trend Rates		
	1% Decrease	Baseline 3.61%	1% Increase
Total OPEB Liability	\$ 2,259,483	\$ 2,572,802	\$ 2,932,060

**OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB** – For the year ended June 30, 2020, the School District recognized OPEB expense of \$373,628. On June 30, 2020, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 365,809	\$ 400,992
Differences between expected and actual experience	720,508	-
Total	\$ 1,086,317	\$ 400,992

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	
2021	\$ 176,688
2022	176,688
2023	176,688
2024	111,624
2025	43,637
Thereafter	-
Totals	\$ 685,325

**NOTE 11 – ENCUMBRANCES**

Encumbrances outstanding at June 30, 2020 are as follows:

Current:	
Support services:	
Instructional staff	\$ 10,136
Operation and maintenance of plant	323,676
Other	21,750
Total encumbrances	\$355,562

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**NOTE 12 – GOVERNMENTAL ACTIVITIES NET POSITION**

Governmental activities net position reported on the government-wide Statement of Net Position at June 30, 2020 include the following:

Net book value of all capital assets	\$ 8,620,076
Unrestricted	(15,944,317)
Total net position	<u><u>\$ (7,324,241)</u></u>

None of the net position is restricted by enabling legislation.

**NOTE 13 – GOVERNMENTAL FUND BALANCES**

Governmental fund balances at June 30, 2020 consist of the following:

	General Fund	Nonmajor Governmental Fund	Total Governmental Funds
<b>Committed:</b>			
Expendable trust	\$ 532,578	\$ -	\$ 532,578
Voted appropriation - March 2020	219,000	-	219,000
Total committed fund balance	<u>751,578</u>	<u>-</u>	<u>751,578</u>
<b>Assigned:</b>			
Encumbrances	355,562	-	355,562
Student Activity Fund	-	189,898	189,898
Total assigned fund balance	<u>355,562</u>	<u>189,898</u>	<u>545,460</u>
<b>Unassigned</b>	<u>708,778</u>	<u>-</u>	<u>708,778</u>
Total governmental fund balances	<u><u>\$ 1,815,918</u></u>	<u><u>\$ 189,898</u></u>	<u><u>\$ 2,005,816</u></u>

**NOTE 14 – PRIOR PERIOD ADJUSTMENTS**

Net position/fund balance at July 1, 2019 was restated for the following:

	Government-wide Statements	General Fund	Other Governmental Funds	General Fund Budgetary Basis - Unassigned
To restate for the cumulative changes related to implementation of GASB Statement No. 84	\$ 230,227	\$ 52,439	\$ 177,788	\$ -
To restate Compensated absence liability for prior year benefits not accrued	(495,672)	-	-	-
To restate for payroll withholdings for workers compensation incorrectly accrued in prior year	80,800	80,800	-	80,800
Net position/fund balance, as previously reported	<u>(6,632,270)</u>	<u>816,680</u>	<u>-</u>	<u>149,497</u>
Net position/fund balance, as restated	<u><u>\$ (6,816,915)</u></u>	<u><u>\$ 949,919</u></u>	<u><u>\$ 177,788</u></u>	<u><u>\$ 230,297</u></u>

**NOTE 15 – RISK MANAGEMENT**

The School District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. During fiscal year 2020, the School District was a member of the New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) Workers' Compensation and Property/Liability Programs.

The New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) Workers' Compensation and Property/Liability Programs are pooled risk management programs under RSAs 5-B and 281-A. Coverage was provided from July 1, 2019 to June 30, 2020 by Primex<sup>3</sup>, which retained \$2,000,000 of each workers' compensation loss, \$500,000 of each liability loss, and \$200,000 of each

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property loss. The Board has decided to self-insure the aggregate exposure and has allocated funds based on actuarial analysis for that purpose. The workers' compensation section of the self-insurance membership agreement permits Primex<sup>3</sup> to make additional assessments to members should there be a deficiency in contributions for any member year, not to exceed the member's annual contribution. GASB Statement No. 10 requires members of a pool with a sharing risk to disclose if such an assessment is probable, and a reasonable estimate of the amount, if any. In fiscal year 2019-20 the School District paid \$44,386 and \$44,856, respectively, to Primex<sup>3</sup> for workers' compensation and property/liability. At this time, Primex<sup>3</sup> foresees no likelihood of any additional assessment for this or any prior year.

The School District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 16 – CONTINGENT LIABILITIES**

There are various claims and suits pending against the School District which arose in the normal course of the School District's activities. In the opinion of management, the ultimate disposition of these various claims and suits will not have a material effect on the financial position of the School District.

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

**NOTE 17 – SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the balance sheet date, but before the financial statements are issued. Recognized subsequent events are events or transactions that provided additional evidence about conditions that existed at the balance sheet date, including the estimates inherent in the process of preparing the financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the balance sheet date but arose after the date. Management has evaluated subsequent events through February 25, 2021, the date the June 30, 2020 financial statements were available to be issued, and noted the following event occurred that requires recognition or disclosure:

On March 11, 2020, the World Health Organization declared, the outbreak of a coronavirus (COVID-19), a global pandemic. In response to the pandemic, the State of New Hampshire's Governor, issued an order declaring a state of emergency on March 13, 2020. It is anticipated that the impact of the pandemic will continue for some time. As a result, economic uncertainties have arisen which could have a financial impact on the School District, though such impact is unknown at this time.

On August 6, 2020, a power outage due to a car accident in the vicinity of Griffin Memorial School tripped the building's main breaker. The School District was unable to remove the main breaker from the tripped position. It was determined by an electrician that the switch would have to be redesigned and replaced, the claim was filed with the District's insurance provider and approved. The District's claim was in the amount of \$56,733 of which the District was responsible for the \$1,000 deductible.

***REQUIRED SUPPLEMENTARY INFORMATION***



**EXHIBIT E**  
**LITCHFIELD SCHOOL DISTRICT**  
*Schedule of the School District's Proportionate Share of Net Pension Liability*  
*New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan*  
*For the Fiscal Year Ended June 30, 2020*

	June 30,						
	2014	2015	2016	2017	2018	2019	2020
School District's:							
Proportion of the net pension liability	0.32%	0.31%	0.31%	0.31%	0.30%	0.33%	0.34%
Proportionate share of the net pension liability	\$ 13,904,142	\$ 11,782,044	\$ 12,123,829	\$ 16,433,964	\$ 14,984,934	\$ 16,121,674	\$ 16,434,861
Covered payroll	\$ 8,971,205	\$ 8,661,687	\$ 8,971,205	\$ 8,880,015	\$ 9,452,075	\$ 9,449,817	\$ 9,934,425
Proportionate share of the net pension liability as a percentage of its covered payroll	154.99%	136.02%	135.14%	185.07%	158.54%	170.60%	165.43%
Plan fiduciary net position as a percentage of the total pension liability	66.32%	59.81%	65.47%	58.30%	62.66%	64.73%	65.59%

**EXHIBIT F**  
**LITCHFIELD SCHOOL DISTRICT**  
*Schedule of School District Contributions - Pensions*  
*New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan*  
*For the Fiscal Year Ended June 30, 2020*

	June 30,						
	2014	2015	2016	2017	2018	2019	2020
Contractually required contribution	\$ 803,320	\$ 1,018,324	\$ 1,026,726	\$ 1,106,639	\$ 1,116,234	\$ 1,415,091	\$ 1,486,422
Contributions in relation to the contractually required contributions	(803,320)	(1,018,324)	(1,026,726)	(1,106,639)	(1,116,234)	(1,415,091)	(1,486,422)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	<u>\$ 8,971,205</u>	<u>\$ 8,661,687</u>	<u>\$ 8,971,205</u>	<u>\$ 8,880,015</u>	<u>\$ 9,452,075</u>	<u>\$ 9,449,817</u>	<u>\$ 9,934,425</u>
Contributions as a percentage of covered payroll	8.95%	11.76%	11.44%	12.46%	11.81%	14.97%	14.96%

**LITCHFIELD SCHOOL DISTRICT**  
**NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION –**  
**PENSION LIABILITY**  
**FOR THE FISCAL YEAR ENDED**  
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***Schedule of the School District’s Proportionate Share of Net Pension Liability and  
Schedule of School District Contributions – Pensions***

As required by GASB Statement No. 68, and as amended by GASB Statement No. 71, Exhibits E and F represent the actuarial determined costs associated with the School District’s pension plan at June 30, 2020. These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**Methods and Assumptions Used to Determine Contribution Rates for Fiscal Year 2019:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage-of-Payroll, Closed
Remaining Amortization Period	21 years beginning July 1, 2018 (30 years beginning July 1, 2009)
Asset Valuation Method	5-year smooth market for funding purposes
Price Inflation	2.5% per year
Wage Inflation	3.25% per year
Salary Increases	5.6% Average, including inflation
Municipal Bond Rate	3.13% per year
Investment Rate of Return	7.25% per year, net of investment expenses including inflation
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2015.
Mortality	RP-2014 Employee generational mortality table for males and females, adjusted for mortality improvements using Scale MP -2015, based in the last experience study.

**Other Information:**

Notes	Contribution rates for fiscal year 2019 were determined based on the benefit changes adopted under House Bill No. 2 as amended by 011-2513-CofC.
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**EXHIBIT G**  
**LITCHFIELD SCHOOL DISTRICT**  
*Schedule of the School District's Proportionate Share of the Net Other Postemployment Benefits Liability*  
*New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan*  
**For the Fiscal Year Ended June 30, 2020**

	June 30,			
	2017	2018	2019	2020
School District's proportion of the net OPEB liability	0.39%	0.38%	0.31%	0.31%
School District's proportionate share of the net OPEB liability	\$ 1,871,299	\$ 1,749,251	\$ 1,413,740	\$ 1,376,939
School District's covered payroll	\$ 8,988,095	\$ 9,452,075	\$ 9,449,817	\$ 9,934,425
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	20.80%	18.51%	14.96%	13.86%
Plan fiduciary net position as a percentage of the total OPEB liability	5.21%	7.91%	7.53%	7.75%

The Notes to the Required Supplementary Information – Other Postemployment Benefits Liability is an integral part of this schedule.

**EXHIBIT H**  
**LITCHFIELD SCHOOL DISTRICT**  
*Schedule of School District Contributions - Other Postemployment Benefits*  
*New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan*  
*For the Fiscal Year Ended June 30, 2020*

	June 30.			
	2017	2018	2019	2020
Contractually required contribution	\$ 224,608	\$ 226,751	\$ 136,583	\$ 143,331
Contributions in relation to the contractually required contribution	(224,608)	(226,751)	(136,583)	(143,331)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 8,880,015	\$ 9,452,075	\$ 9,449,817	\$ 9,934,425
Contributions as a percentage of covered payroll	2.53%	2.40%	1.45%	1.44%

The Notes to the Required Supplementary Information – Other Postemployment Benefits Liability is an integral part of this schedule.

**EXHIBIT I**  
**LITCHFIELD SCHOOL DISTRICT**  
*Schedule of Changes in the School District's Total Other Postemployment Benefits Liability and Related Ratios*  
*For the Fiscal Year Ended June 30, 2020*

	June 30,			
	2017	2018	2019	2020
OPEB liability, beginning of year	\$ 1,375,726	\$ 1,932,339	\$ 2,047,474	\$ 2,183,549
Changes for the year:				
Service cost	82,071	115,689	118,001	143,665
Interest	60,076	68,450	72,661	53,275
Assumption changes	248,666	-	-	703,702
Difference between actual and expected experience	678,376	(28,322)	(18,911)	(441,875)
Change in actuarial cost method	(431,172)	-	-	-
Benefit payments	(81,404)	(40,682)	(35,676)	(69,514)
OPEB liability, end of year	<u>\$ 1,932,339</u>	<u>\$ 2,047,474</u>	<u>\$ 2,183,549</u>	<u>\$ 2,572,802</u>
Covered payroll	<u>\$ 8,547,438</u>	<u>\$ 8,321,649</u>	<u>\$ 8,488,082</u>	<u>\$ 7,084,973</u>
Total OPEB liability as a percentage of covered payroll	22.61%	24.60%	25.72%	36.31%

The Notes to the Required Supplementary Information – Other Postemployment Benefits Liability is an integral part of this schedule.

**LITCHFIELD SCHOOL DISTRICT**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION –**  
**OTHER POSTEMPLOYMENT BENEFITS LIABILITY**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2020**

***Schedule of the School District’s Proportionate Share of Net Other Postemployment Benefits Liability and Schedule of School District Contributions – Other Postemployment Benefits***

As required by GASB Statement No. 75, Exhibits G and H represent the actuarial determined costs associated with the School District’s other postemployment benefits at June 30, 2020. These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

There were no changes to benefit terms or assumptions in the current actuarial valuation report.

**Methods and Assumptions:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage-of-Payroll, Closed
Remaining Amortization Period	Not applicable under statutory funding
Asset Valuation Method	5-year smooth market: 20% corridor
Price Inflation	2.5% per year
Wage Inflation	3.25% per year
Salary Increases	5.6% Average, including inflation
Municipal Bond Rate	3.13% per year
Investment Rate of Return	7.25% per year, net of OPEB plan investment expense, including inflation for determining solvency contributions
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2015.
Mortality	RP-2014 Healthy Annuitant and Employee generational mortality tables for males and females with credibility adjustments, adjusted for fully generational mortality improvements using Scale MP-2015, based on the last experience study.

***Schedule of Changes in School District’s Total Other Postemployment Benefits Liability and Related Ratios***

As required by GASB Statement No. 75, Exhibit I represents the actuarial determined costs associated with the School District’s other postemployment benefits at June 30, 2020. The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

***COMBINING AND INDIVIDUAL FUND SCHEDULES***



**SCHEDULE 1**  
**LITCHFIELD SCHOOL DISTRICT**  
**Major General Fund**  
*Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)*  
*For the Fiscal Year Ended June 30, 2020*

	Estimated	Actual	Variance Positive (Negative)
School district assessment:			
Current appropriation	\$ 14,034,770	\$ 14,034,770	\$ -
Other local sources:			
Tuition	27,500	45,849	18,349
Transportation	9,000	-	(9,000)
Investment earnings	500	2,253	1,753
Miscellaneous	45,000	40,366	(4,634)
Total from other local sources	<u>82,000</u>	<u>88,468</u>	<u>6,468</u>
State sources:			
Adequacy aid (grant)	5,532,882	5,532,882	-
Adequacy aid (tax)	2,005,996	2,005,995	(1)
Kindergarten aid	18,488	18,488	-
Catastrophic aid	90,324	143,892	53,568
Vocational aid	3,000	7,281	4,281
Other state aid	-	7,403	7,403
Total from state sources	<u>7,650,690</u>	<u>7,715,941</u>	<u>65,251</u>
Federal sources:			
Medicaid	25,000	22,378	(2,622)
Total revenues	21,792,460	<u>\$ 21,861,557</u>	<u>\$ 69,097</u>
Use of fund balance to reduce school district assessment	149,498		
Use of fund balance - appropriated	100,000		
Total revenues and use of fund balance	<u>\$ 22,041,958</u>		

**SCHEDULE 2**  
**LITCHFIELD SCHOOL DISTRICT**  
**Major General Fund**  
*Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)*  
*For the Fiscal Year Ended June 30, 2020*

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
Instruction:					
Regular programs	\$ -	\$ 8,990,286	\$ 8,548,584	\$ -	\$ 441,702
Special programs	-	3,306,531	3,170,407	-	136,124
Vocational programs	-	38,526	57,398	-	(18,872)
Other programs	-	572,215	545,784	-	26,431
Total instruction	-	<u>12,907,558</u>	<u>12,322,173</u>	-	<u>585,385</u>
Support services:					
Student	-	1,847,510	1,754,164	-	93,346
Instructional staff	2,360	752,725	697,331	10,136	47,618
General administration	-	121,643	140,824	-	(19,181)
Executive administration	-	556,813	555,049	-	1,764
School administration	-	1,297,586	1,294,725	-	2,861
Business	-	325,675	344,265	-	(18,590)
Operation and maintenance of plant	165,126	2,082,744	1,995,055	323,676	(70,861)
Student transportation	-	1,104,314	932,047	-	172,267
Other	27,216	909,138	779,097	21,750	135,507
Total support services	<u>194,702</u>	<u>8,998,148</u>	<u>8,492,557</u>	<u>355,562</u>	<u>344,731</u>
Facilities acquisition and construction	-	<u>36,252</u>	<u>36,252</u>	-	-
Other financing uses:					
Transfers out	-	100,000	254,159	-	(154,159)
Total appropriations, expenditures, other financing uses, and encumbrances	<u>\$ 194,702</u>	<u>\$ 22,041,958</u>	<u>\$ 21,105,141</u>	<u>\$ 355,562</u>	<u>\$ 775,957</u>

**SCHEDULE 3**  
**LITCHFIELD SCHOOL DISTRICT**  
**Major General Fund**  
*Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)*  
*For the Fiscal Year Ended June 30, 2020*

Unassigned fund balance, beginning, as restated (see Note 14)		\$ 230,297
Changes:		
Unassigned fund balance used to reduce school district assessment		(149,498)
Unassigned fund balance appropriated for use in 2019-2020		(100,000)
2019-2020 Budget summary:		
Revenue surplus (Schedule 1)	\$ 69,097	
Unexpended balance of appropriations (Schedule 2)	<u>775,957</u>	
2019-2020 Budget surplus		845,054
Decrease in nonspendable fund balance		1,925
Increase in committed fund balance		<u>(119,000)</u>
Unassigned fund balance, ending		<u><u>\$ 708,778</u></u>

**SCHEDULE 4**  
**LITCHFIELD SCHOOL DISTRICT**  
*Nonmajor Governmental Funds*  
**Combining Balance Sheet**  
**June 30, 2020**

	Special Revenue Funds			Total
	Grants	Food Service	Student Activities	
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 217,798	217,798
Intergovernmental receivable	92,484	-	-	92,484
Interfund receivable	-	32,803	-	32,803
Total assets	<u>\$ 92,484</u>	<u>\$ 32,803</u>	<u>\$ 217,798</u>	<u>\$ 343,085</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 32,803	\$ 27,900	60,703
Interfund payable	80,744	-	-	80,744
Total liabilities	<u>80,744</u>	<u>32,803</u>	<u>27,900</u>	<u>141,447</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Amounts received in advance of eligible expenditures	11,740	-	-	11,740
<b>FUND BALANCES</b>				
Assigned	-	-	189,898	189,898
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 92,484</u>	<u>\$ 32,803</u>	<u>\$ 217,798</u>	<u>\$ 343,085</u>

**SCHEDULE 5**  
**LITCHFIELD SCHOOL DISTRICT**  
**Nonmajor Governmental Funds**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2020**

	Special Revenue Funds			Total
	Grants	Food Service	Student Activities	
<b>REVENUES</b>				
Other local	\$ 64,766	\$ 224,134	\$ 259,607	\$ 548,507
State	46,889	5,646	-	52,535
Federal	506,152	102,952	-	609,104
Total revenues	<u>617,807</u>	<u>332,732</u>	<u>259,607</u>	<u>1,210,146</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	272,943	-	247,497	520,440
Support services:				
Student	205,023	-	-	205,023
Instructional staff	43,534	-	-	43,534
Student transportation	937	-	-	937
Other	46,889	-	-	46,889
Noninstructional services	-	486,891	-	486,891
Facilities acquisition and construction	48,481	-	-	48,481
Total expenditures	<u>617,807</u>	<u>486,891</u>	<u>247,497</u>	<u>1,352,195</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(154,159)</u>	<u>12,110</u>	<u>(142,049)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>-</u>	<u>154,159</u>	<u>-</u>	<u>154,159</u>
Net change in fund balances	-	-	12,110	12,110
Fund balances, beginning, as restated (see Note 14)	-	-	177,788	177,788
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 189,898</u>	<u>\$ 189,898</u>

**SCHEDULE 6**  
**LITCHFIELD SCHOOL DISTRICT**  
*Student Activity Funds*  
**Combining Balance Sheet**  
**June 30, 2020**

	Student Activity Funds			Total
	Campbell High School	Litchfield Middle School	Griffin Memorial School	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 165,916	\$ 38,904	\$ 12,978	\$ 217,798
<b>LIABILITIES</b>				
Accounts payable	\$ 27,900	\$ -	\$ -	\$ 27,900
<b>FUND BALANCES</b>				
Assigned	138,016	38,904	12,978	189,898
Total liabilities and fund balances	\$ 165,916	\$ 38,904	\$ 12,978	\$ 217,798

**SCHEDULE 7**  
**LITCHFIELD SCHOOL DISTRICT**  
**Student Activity Funds**  
*Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances*  
*For the Fiscal Year Ended June 30, 2020*

	Student Activity Funds			Total
	High School	Middle School	Memorial School	
<b>REVENUES</b>				
Other local	\$ 133,522	\$ 115,418	\$ 10,667	\$ 259,607
<b>EXPENDITURES</b>				
Current:				
Instruction	120,525	115,482	11,490	247,497
Net change in fund balances	12,997	(64)	(823)	12,110
Fund balances, beginning, as restated (see Note 14)	125,019	38,968	13,801	177,788
Fund balances, ending	<u>\$ 138,016</u>	<u>\$ 38,904</u>	<u>\$ 12,978</u>	<u>\$ 189,898</u>

# 2021-2022 School Board Meeting Calendar

July 2021						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

August 2021						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

September 2021						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

October 2021						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

November 2021						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

December 2021						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

January 2022						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					




February 2022						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28					

March 2022						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

April 2022						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

May 2022						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

June 2022						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

 SB Meetings	 February 5 Deliberative Session
	 March 8 Voting Day





## LITCHFIELD SCHOOL DISTRICT

**POLICY CODE: DA**

**APPROVAL:**

### FINANCIAL MANAGEMENT PLAN

The Litchfield School Board recognizes the importance of excellent financial management in managing public resources to achieve the goals of the educational plan of the District. The Board shall be vigilant in fulfilling its responsibilities to see that these funds are used wisely to achieve the purpose for which they are allocated.

The Board understands that achieving this is dependent upon the financial ability of the School District.

The District financial management plan seeks to achieve the following goals:

Engage in thorough advance planning to develop budgets and guide expenditures to achieve the greatest educational returns and the greatest positive effect to the educational program.

Establish levels of funding that shall provide high quality education for the students of the District.

Use the best available techniques and processes for budget development and management.

Provide timely and appropriate information to the Board and all staff with financial management responsibilities.

Establish and implement efficient procedures for:

- accounting
- audit
- internal controls
- payroll
- risk management
- cash management
- investing
- purchasing
- accounts payable
- and all other areas of financial management.

Approved:

Reviewed: March 12, 2021

Approval: May 6, 2009



**LITCHFIELD SCHOOL DISTRICT**

**POLICY CODE: DA**  
**APPROVAL:**



## LITCHFIELD SCHOOL DISTRICT

**POLICY CODE: DB**

**APPROVAL:**

### ANNUAL BUDGET

One of the primary responsibilities of the Litchfield School Board shall be to obtain adequate funds to carry out a high-level program of instruction, understanding that achieving this is dependent upon the financial ability of the District.

The adopted annual school budget is the financial outline of the District's educational program; it is the legal basis for the establishment of tax rates. The annual school budget process is an important function of District operations and should serve as a means to improve communications within the school organization, Budget Committee, and with the residents of the community.

The Superintendent or designee shall be responsible for preparing, and presenting to the Board for adoption, the annual school budget. The School Board expects the Superintendent to work closely with the principals and other administrators to assess the needs of the schools. The principals shall confer with appropriate staff in getting budgetary requests and information on requirements.

The Board shall be informed of budget requests that are not included in the proposed budget and the reason those items are not included in the budget.

#### ***Statutory References:***

*RSA 32:4, Preparation of Budgets: Estimate of Expenditures and Revenues*

*RSA 32:5, Budget Preparation*

*RSA 197:5-a, School Meetings and Officers: Budget*

Approved:

Reviewed: March 12, 2021

Approval: May 6, 2009



## LITCHFIELD SCHOOL DISTRICT

**POLICY CODE: DBB**

**APPROVAL:**

### FUND BALANCE

In accordance with the governmental accounting standard, GASB Statement No. 54, the Litchfield School Board recognizes the following five categories of fund balance for financial reporting purposes:

- **Non-spendable Fund Balance:** non-cash assets such as inventories or prepaid items
- **Restricted Fund Balance:** funds legally restricted for specific purposes, such as grant, food service, and expendable trust funds.
- **Committed Fund Balance:** amounts that can only be used for specific purposes pursuant to a formal vote of the Litchfield School Board or by a vote of the legislative body by official ballot.
- **Assigned Fund Balance:** amounts intended by the Litchfield School Board for specific purposes. The Board can choose to delegate this authority to the Superintendent or Business Administrator, depending on the situation. Items that would fall under this type of fund balance could be encumbrances.
- **Unassigned Fund Balance:** residual spendable fund balance after subtracting all of the above amounts. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting the assigned fund balance.

#### **Committed Fund Balance**

The Litchfield School Board, as the government's highest level of decision-making authority, may commit fund balance by a formal vote prior to the government's fiscal year-end for that fiscal year. Future modification or rescission of committed funds must likewise be accomplished by a formal vote of the School Board prior to fiscal year-end.

Actions approved by the legislative body by official ballot are also considered to be a Committed Fund Balance, would include specific approved warrant articles such as a transfer out of the year-end unassigned fund balance for any specific expendable trust or capital reserve account, or non-lapsing warrant articles.

#### **Assigned Fund Balance**

The Litchfield School Board expressly delegates to the Superintendent, through the Business Administrator, authority under this policy to assign funds for particular purposes. Such balances must be assigned (encumbered) through a contract or purchase order as allowed under RSA 32:7 (Lapse of Appropriations) and Generally Accepted Accounting Principles.

#### **Spending Prioritizations**

When an expenditure is incurred that would qualify for payment with either restricted or unrestricted funds, it shall be paid from restricted funds.

When an expenditure is incurred that qualifies for payment from either of the three unrestricted fund balance categories, it shall be applied in the following order:

- (1) Committed,
- (2) Assigned, and
- (3) Unassigned.



## LITCHFIELD SCHOOL DISTRICT

**POLICY CODE: DBB**

**APPROVAL:**

### **Deficit Fund Balance**

At year end if any of the special revenue funds (i.e. food service, grants funds, etc.) has a deficit unassigned fund balance then the Superintendent, through the Business Administrator, is authorized to transfer funds from the general fund to cover the deficit, providing the general fund has money to do so.

The Litchfield School Board shall turn back any unassigned general fund balance at year-end to offset the next fiscal year's tax rate for the Town, which is in accordance with present state requirements.

### **Annual Review**

Compliance with the provisions of this policy shall be reviewed as a part of the annual budget adoption process.

### **Statutory References**

*RSA 32:7, Lapse of Appropriations*

Approved:

Reviewed: March 12, 2021

Approval: July 13, 2011



## LITCHFIELD SCHOOL DISTRICT

**POLICY CODE: DBC**

**APPROVAL:**

### BUDGET PREPARATION

The Superintendent or designee shall establish procedures for the involvement of staff in the development of the budget proposal.

The Litchfield School Board shall adopt guidelines and a schedule each year for the timely submission of the budget to the Board and Budget Committee.

***Statutory References:***

*RSA 195:12, Cooperative School District: Budget*

*RSA 197:5-a, School Meetings & Officers: Budget*

*RSA 32:4, Preparation of Budgets: Estimate of Expenditures and Revenues*

*RSA 32:4, Budget Preparation*

***Legal References:***

*NH Code of Administrative Rules – Section Ed. 302:02(a) Substantive Duties of the Superintendent*

Approved:

Reviewed: March 12, 2021

Approval: May 6, 2009



## LITCHFIELD SCHOOL DISTRICT

**POLICY CODE: DBI**  
**APPROVAL:**

### BUDGET IMPLEMENTATION

The Superintendent or designee shall establish procedures for budget implementation, control, and reporting.

***Legal References:***

*RSA 32:10, Transfer of Appropriations*

*NH Code of Administrative Rules – Section Ed. 302:02(d), (j), (o), Substantive Duties of the Superintendent*

Approved:  
Reviewed: March 12, 2021  
Approval: May 6, 2009



## LITCHFIELD SCHOOL DISTRICT

**POLICY CODE: DC**  
**APPROVAL:**

### TAXING & BORROWING AUTHORITY/LIMITATIONS

The Litchfield School District shall not borrow funds for capital building projects or other major capital items without the expressed approval of the District at an annual or special school district meeting.

***Statutory References:***

*RSA 33:8, Town or District Bonds or Notes*

Approved:  
Reviewed: March 12, 2021  
Approval: May 6, 2009





## LITCHFIELD SCHOOL DISTRICT

**POLICY CODE: DD**

**APPROVAL:**

### FUNDING PROPOSALS & APPLICATIONS

The Litchfield School Board shall be kept informed of all possible sources of state, federal, and other funds for the support of the schools and/or for the enhancement of educational opportunities. The Superintendent or designee shall apprise the Board of its eligibility for general or program funds and to make recommendations for Board action.

Approved:

Reviewed: March 12, 2021

Approval: May 6, 2009



## LITCHFIELD SCHOOL DISTRICT

**POLICY CODE: DEA**

**APPROVAL:**

### REVENUES FROM LOCAL, STATE, & FEDERAL TAX SOURCES

The Litchfield School Board shall explain the objectives and needs of the schools to town bodies that have a role in school budget adoption, and to the public which casts the final vote, so that local support of education can indeed provide for all children equal and suitable education programs.

The major share of all financial support for local school districts is raised by taxing property within the District. Most of the financial support of public education, therefore, is subject to a direct vote of the people.

The Litchfield School Board, administration, and the professional staff shall work with the taxpayers toward the solution of problems in the operational funding of the Litchfield School District.

The financial condition of the District, along with its needs and goals, shall be communicated to the citizens through an ongoing public information program.

In addition, the Board may:

- Accept all available state funds to which the District is entitled by law or through regulations of the State Board of Education.
- Accept all federal funds which are available providing there is a specific need for them and that matching funds required are available.

The Board may accept revenues on a case-by-case basis consistent with the goals, policies, and programs of the District.

***Statutory Reference:***

*RSA 198:20-b, Appropriation for Unanticipated Funds Made Available During the Year*

Approved:

Reviewed: March 12, 2021

Approval: July 29, 2009



## LITCHFIELD SCHOOL DISTRICT

**POLICY CODE: DFEA**

**APPROVAL:**

### **FREE ADMISSIONS (Guest Passes for Senior Citizens)**

Senior citizens of the Litchfield School District, persons 65 years of age or older, may be given a senior citizen guest pass, which shall permit them to attend all activities of the schools, including athletic events free of charge, excluding NHIAA tournament events.

This policy represents a small token of appreciation from the Litchfield School Board for all that the District's senior citizens have done for the schools over the years.

Approved:

Reviewed: March 12, 2021

Approval: July 29, 2009



## LITCHFIELD SCHOOL DISTRICT

**POLICY CODE: DG**

**APPROVAL:**

### DEPOSITORY OF FUNDS

All income payable to the Litchfield School District and all revenue received shall be deposited with the School District Treasurer, who will credit it to the appropriate account. The District Treasurer may authorize the direct deposit of funds into approved District accounts.

The Litchfield School Board shall determine when other depositories are needed and shall name them by resolution.

Depositories shall be selected only after careful review of fiscal practices and ability to meet the safety and service criteria of the District, and for compliance with RSA 197:23-a.

#### ***Statutory Reference***

*RSA 197:23-a, Treasurer's Duties*

Approved:

Reviewed: March 12, 2021

Approval: July 29, 2009



## LITCHFIELD SCHOOL DISTRICT

**POLICY CODE: DGA**

**APPROVAL:**

### AUTHORIZED SIGNATURES

Checks drawn on the general fund or any special fund (with the exception of the Student Activity Fund) shall require the signature of the School District Treasurer, or the Assistant Treasurer in the absence of the Treasurer, each of whom is authorized to sign only after approval of a manifest by the School Board authorizing issuance of the check.

Electronic, ACH, and wire transfers of funds (electronic payments), for payment of accounts payable and all payroll manifests, may be approved by the School District Treasurer provided the payments have been authorized by the School Board's prior approval of a manifest authorizing the payment. The School District Treasurer is authorized to delegate approval authority to make electronic payments to the Business Administrator, provided the payment has been authorized by the School Board's prior approval of a manifest authorizing the payment.

Payroll payments, up to the amount of the budget in effect for the fiscal year the payroll payments are disbursed, may be approved in writing by a majority of the School Board annually, no later than July 1, and may then be disbursed by authorization of the District Treasurer or Assistant Treasurer in accordance with this policy.

Checks drawn on a Student Activity Fund shall require two signatures, one of which must be the school principal or assistant principal.

Signatures on official documents (e.g. checks, state and federal reporting, applications, expense vouchers, time cards) must be original signatures. Use of signature stamps are not allowed. The Treasurer and Assistant Treasurer are exempt for the purpose of signing payroll and account payable checks.

#### ***Statutory References:***

*RSA 197:23-a, Treasurer's Duties*

Approved:

Reviewed: March 12, 2021

Approval: August 12, 2009



**LITCHFIELD SCHOOL DISTRICT**

***POLICY CODE: DGA***  
***APPROVAL:***