

Federal Compliance Audit

# Champlain Valley School District

June 30, 2022



*Proven Expertise & Integrity*

CHAMPLAIN VALLEY SCHOOL DISTRICT

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JUNE 30, 2022

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Champlain Valley School District  
Shelburne, Vermont

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Champlain Valley School District as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Champlain Valley School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Champlain Valley School District as of June 30, 2022 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Champlain Valley School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for 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.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Champlain Valley School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal controls relevant to the audit 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 Champlain Valley School District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise doubt about the Champlain Valley School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension and OPEB information on pages 5 through 12 and 70 through 75 be presented to supplement the basic financial statements. 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.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Champlain Valley School District's basic financial statements. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund - Revenues, Schedule of Departmental Operations - General Fund and combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and is also not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2023 on our consideration of Champlain Valley School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion the effectiveness of the Champlain Valley School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Champlain Valley School District's internal control over financial reporting and compliance.

*RHR Smith & Company*

Buxton, Maine  
Vermont Registration No. 092.0000697  
March 27, 2023



**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**(UNAUDITED)**

The following management's discussion and analysis of the Champlain Valley School District's financial performance provides an overview of the School District's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the School District's financial statements.

**Financial Statement Overview**

The School District's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule, pension and OPEB information and other supplementary information which includes combining and other schedules.

**Basic Financial Statements**

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

**Government-Wide Financial Statements**

The government-wide financial statements provide a broad view of the School District's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regard to the School District's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position - this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities - this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the above-mentioned financial statements have separate columns for the two different types of School District activities. The types of activities presented for the School District are:

- *Governmental activities* - The activities in this section are mostly supported by intergovernmental revenues (federal and state grants) and charges for services. Most of the School District's basic services are reported in governmental activities, which instructional programs, instructional support, administrative/other support, building operations and maintenance, fiscal services, transportation, prior year and program expenses.
- *Business-type activities* - These activities are normally intended to recover all or a significant portion of their costs through user fees and/or charges to external users for goods and/or services. These activities for the School District include the Food Service Program.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the School District can be classified into three categories: governmental funds, proprietary funds and fiduciary funds.

*Governmental funds:* Most of the basic services provided by the School District are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach, revenues are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the School District's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the School District.

Because the focus of governmental funds is narrower than that of 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 government'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. These reconciliations are presented on the page immediately following each governmental fund financial statement.

The School District presents five columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The School District's four major funds are the general fund, Medicaid MAC fund, construction fund and 2021 bond fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

The general fund is the only fund for which the School District legally adopted a budget. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

*Proprietary Funds:* The School District maintains one proprietary fund, the food service program. These funds are used to show activities that operate more like those of commercial enterprises. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

*Fiduciary Funds:* These funds are used to account for resources held for the benefit of parties outside the School District. These funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the School District's own programs. The accounting used for fiduciary funds are much like that of proprietary funds. They use the accrual basis of accounting.

### **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 the Fund Financial Statements. The Notes to Financial Statements can be found following the Statement of Changes in Net Position - Fiduciary Funds.

### **Required Supplementary Information**

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, Schedule of Proportionate Share of the Net Pension Liability, Schedule of Contributions - Pensions, Schedule of Proportionate Share of the Net OPEB Liability, Schedule of Contributions - OPEB and Notes to Required Supplementary Information.

## Other Supplementary Information

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regard to nonmajor funds and other detailed budgetary information for the general fund.

### Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the School District's governmental and business-type activities. The School District's total net position for governmental activities decreased by \$2,637,794 from \$43,874,881 to \$41,237,087. The School District's total net position for business-type activities increased by \$206,634 from \$151,023 to \$357,657.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - decreased for governmental activities to a deficit balance of \$3,014,440 at the end of this year. The business-type activities increased to a balance of \$357,657 at the end of this year.

**Table 1**  
**Champlain Valley School District**  
**Net Position**  
**June 30,**

	Governmental Activities		Business-type Activities	
	2022	2021 (Restated)	2022	2021
<b>Assets:</b>				
Current Assets	\$ 7,985,023	\$ 18,933,471	\$ 479,743	\$ 315,094
Noncurrent Assets - Capital Assets	76,581,631	74,141,636	-	-
Total Assets	\$ 84,566,654	\$ 93,075,107	\$ 479,743	\$ 315,094
<b>Deferred Outflows of Resources:</b>				
Deferred Outflows Related to Pensions	\$ 3,588,694	\$ 5,222,380	\$ -	\$ -
Total Deferred Outflows of Resources	\$ 3,588,694	\$ 5,222,380	\$ -	\$ -
<b>Liabilities:</b>				
Current Liabilities	\$ 5,709,264	\$ 8,568,840	\$ 122,086	\$ 155,117
Noncurrent Liabilities	36,995,315	44,404,262	-	-
Total Liabilities	\$ 42,704,579	\$ 52,973,102	\$ 122,086	\$ 155,117
<b>Deferred Inflows of Resources:</b>				
Deferred Revenues	\$ 789,953	\$ 1,386,340	\$ -	\$ 8,954
Deferred Inflows Related to Pensions	3,423,729	63,164	-	-
Total Deferred Inflows of Resources	\$ 4,213,682	\$ 1,449,504	\$ -	\$ 8,954
<b>Net Position:</b>				
Net Investment in Capital Assets	\$ 42,427,044	\$ 42,261,519	\$ -	\$ -
Restricted	1,824,483	1,664,838	-	-
Unrestricted (deficit)	(3,014,440)	(51,476)	357,657	151,023
Total Net Position	\$ 41,237,087	\$ 43,874,881	\$ 357,657	\$ 151,023

## Revenues and Expenses

Revenues for the School District's governmental activities decreased by 6.43% from the prior year while expenses decreased by 3.92%. The largest decreases in revenues were in operating grants and contributions and grants and contributions not restricted to specific programs. The largest decreases in expenses were in on-behalf payments and program expenses. The decrease in revenues and expenses are primarily attributable to VSTRS pension and OPEB expense paid by the State of Vermont on-behalf of the School District.

Revenues for the School District's business-type activities increased by 92.87% from the prior year while expenses increased by 101.57%.

**Table 2**  
**Champlain Valley School District**  
**Changes in Net Position**  
**For the Years Ended June 30,**

	Governmental Activities		Business-type Activities	
	2022	2021	2022	2021
<b>Revenues</b>				
<i>Program Revenues:</i>				
Charges for services	\$ 287,049	\$ 267,523	\$ 328,939	\$ 65,231
Operating grants and contributions	50,141,869	59,056,655	2,663,447	1,471,581
<i>General Revenues:</i>				
Grants and contributions not restricted to specific programs	75,910,800	76,166,439	-	-
Miscellaneous	1,237,814	858,583	99,687	66,406
<b>Total Revenues</b>	<b>127,577,532</b>	<b>136,349,200</b>	<b>3,092,073</b>	<b>1,603,218</b>
<b>Expenses</b>				
Instructional programs	51,110,121	49,626,771	-	-
Instructional support	9,631,986	9,078,609	-	-
Administrative/other support	9,275,398	8,525,139	-	-
Building operations and maintenance	4,121,416	4,322,121	-	-
Fiscal services	1,090,007	1,104,667	-	-
Transportation	4,401,327	2,849,422	-	-
Prior year	13,312	25,422	-	-
On-behalf payments	39,825,251	49,419,673	-	-
Program expenses	5,893,733	7,337,928	3,269,036	1,621,765
Interest on long-term debt	962,106	918,693	-	-
Unallocated depreciation (Note 5)	3,913,573	2,350,202	-	-
<b>Total Expenses</b>	<b>130,238,230</b>	<b>135,558,647</b>	<b>3,269,036</b>	<b>1,621,765</b>
Transfers	(383,597)	(164,560)	383,597	164,560
Change in Net Position	(2,637,794)	625,993	206,634	146,013
Net Position - July 1, Restated	43,874,881	43,248,888	151,023	5,010
Net Position - June 30	<b>\$ 41,237,087</b>	<b>\$ 43,874,881</b>	<b>\$ 357,657</b>	<b>\$ 151,023</b>

## Financial Analysis of the School District's Fund Statements

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

**Table 3**  
**Champlain Valley School District**  
**Fund Balances - Governmental Funds**  
**June 30,**

	<b>2022</b>	<b>2021 (Restated)</b>	<b>Increase/ (Decrease)</b>
Major Funds:			
General Fund:			
Nonspendable	\$ 143,138	\$ 384,203	\$ (241,065)
Committed	2,932,905	2,990,495	(57,590)
Unassigned	(46,201)	1,810,081	(1,856,282)
Total General Fund	\$ 3,029,842	\$ 5,184,779	\$ (2,154,937)
Construction Fund:			
Restricted	\$ 395,346	\$ 435,749	\$ (40,403)
Total Construction Fund	\$ 395,346	\$ 435,749	\$ (40,403)
2021 Bond Fund:			
Restricted	\$ 145,115	\$ 4,917,696	\$ (4,772,581)
Total 2021 Bond Fund	\$ 145,115	\$ 4,917,696	\$ (4,772,581)
Nonmajor Funds:			
Special Revenue Funds:			
Restricted	\$ 789,955	\$ 777,488	\$ 12,467
Capital Projects Funds:			
Restricted	494,067	451,601	42,466
Unassigned (deficit)	(87,150)	-	(87,150)
Total Nonmajor Funds	\$ 1,196,872	\$ 1,229,089	\$ (32,217)

The changes to total fund balances for the general fund, construction fund and nonmajor funds occurred due to the regular activity of operations.

The change in total fund balance of the 2021 Bond Fund was due to capital outlays.

*Proprietary funds:* The School District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The food service program had an increase in net position of \$206,634 for the year ended June 30, 2022.

## Budgetary Highlights

The general fund produced a deficit of \$95,937 over the budgeted utilization of committed fund balance of \$2,059,000 for the year ended June 30, 2022. Actual expenditures exceeded revenues by that amount primarily due shortfalls in intergovernmental - other revenues, partially offset by instructional programs and instructional support coming in under budgeted amounts.

## Capital Asset and Long-Term Debt Activity

### Capital Assets

As of June 30, 2022, the School District capital assets increased by \$2,439,995. This was due to net current year additions of \$6,432,488 less net disposals of \$29,973 and depreciation expense of \$3,962,520. Refer to Note 5 of Notes to Financial Statements for detailed information.

**Table 4**  
**Champlain Valley School District**  
**Capital Assets (Net of Depreciation)**  
**June 30,**

	<u>2022</u>	<u>2021</u>
Land	\$ 375,000	\$ 375,000
Construction in progress	4,413,657	763,589
Buildings and building improvements	68,973,009	70,787,099
Machinery, equipment and vehicles	2,659,732	2,215,948
Right of use lease assets	160,233	-
Total	<u>\$ 76,581,631</u>	<u>\$ 74,141,636</u>

### Debt

At June 30, 2022, the School District had \$34,154,587 in bonds, notes from direct borrowings payable and leases versus \$36,797,813 in the prior fiscal year. Refer to Note 7 of the Notes to Financial Statements for detailed information.

### **Currently Known Facts, Decisions or Conditions**

The School District has noted several subsequent events as a currently known fact. Refer to Note 22 of Notes to Financial Statements for more detailed information.

### **Economic Factors and Next Year's Budgets and Rates**

The 2023 - 2024 financial performance will be impacted by inflationary pressures in wages as well as goods and services.

### **Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School District at 5420 Shelburne Road, Suite 300, Shelburne, Vermont 05482.



## CHAMPLAIN VALLEY SCHOOL DISTRICT

STATEMENT OF NET POSITION  
JUNE 30, 2022

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 4,963,176	\$ -	\$ 4,963,176
Investments	-	-	-
Accounts receivable (net of allowance for uncollectibles)	36,198	4,874	41,072
Due from other governments	2,859,469	383,918	3,243,387
Inventory	78,012	73,993	152,005
Prepaid items	65,126	-	65,126
Internal balances	(16,958)	16,958	-
Total current assets	<u>7,985,023</u>	<u>479,743</u>	<u>8,464,766</u>
Noncurrent assets:			
Capital assets:			
Land and other assets not being depreciated	4,788,657	-	4,788,657
Buildings, building improvements and other assets, net of accumulated depreciation	71,632,741	-	71,632,741
Right of use lease assets, net of accumulated depreciation	160,233	-	160,233
Total noncurrent assets	<u>76,581,631</u>	<u>-</u>	<u>76,581,631</u>
<b>TOTAL ASSETS</b>	<u>84,566,654</u>	<u>479,743</u>	<u>85,046,397</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	3,588,694	-	3,588,694
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>3,588,694</u>	<u>-</u>	<u>3,588,694</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 88,155,348</u>	<u>\$ 479,743</u>	<u>\$ 88,635,091</u>

STATEMENT A (CONTINUED)  
CHAMPLAIN VALLEY SCHOOL DISTRICT

STATEMENT OF NET POSITION  
JUNE 30, 2022

	Governmental Activities	Business-type Activities	Total
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 743,938	\$ 122,086	\$ 866,024
Accrued payroll	171,560	-	171,560
Accrued expenses	1,509,011	-	1,509,011
Due to other governments	3,386	-	3,386
Current portion of long-term obligations	3,281,369	-	3,281,369
Total current liabilities	<u>5,709,264</u>	<u>122,086</u>	<u>5,831,350</u>
Noncurrent liabilities:			
Noncurrent portion of long-term obligations:			
Bonds payable	30,053,541	-	30,053,541
Notes from direct borrowings payable	769,225	-	769,225
Lease liability	104,101	-	104,101
Accrued compensated absences	291,146	-	291,146
Accrued severance payable	10,000	-	10,000
Net pension liability	5,767,302	-	5,767,302
Total noncurrent liabilities	<u>36,995,315</u>	<u>-</u>	<u>36,995,315</u>
<b>TOTAL LIABILITIES</b>	<u>42,704,579</u>	<u>122,086</u>	<u>42,826,665</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue	789,953	-	789,953
Deferred inflows related to pensions	3,423,729	-	3,423,729
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>4,213,682</u>	<u>-</u>	<u>4,213,682</u>
<b>NET POSITION</b>			
Net investment in capital assets	42,427,044	-	42,427,044
Restricted	1,824,483	-	1,824,483
Unrestricted (deficit)	(3,014,440)	357,657	(2,656,783)
<b>TOTAL NET POSITION</b>	<u>41,237,087</u>	<u>357,657</u>	<u>41,594,744</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$ 88,155,348</u>	<u>\$ 479,743</u>	<u>\$ 88,635,091</u>

See accompanying independent auditor's report and notes to financial statements.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business - type Activities	Total
Governmental activities:							
Instructional programs	\$ 51,110,121	\$ 16,432	\$ 9,173,070	\$ -	\$ (41,920,619)	\$ -	\$ (41,920,619)
Instructional support	9,631,986	-	-	-	(9,631,986)	-	(9,631,986)
Administrative/Other support	9,275,398	-	-	-	(9,275,398)	-	(9,275,398)
Building operations and maintenance	4,121,416	-	-	-	(4,121,416)	-	(4,121,416)
Fiscal services	1,090,007	-	-	-	(1,090,007)	-	(1,090,007)
Transportation	4,401,327	28,298	1,143,548	-	(3,229,481)	-	(3,229,481)
Prior year	13,312	-	-	-	(13,312)	-	(13,312)
Program expenses	5,893,733	242,319	-	-	(5,651,414)	-	(5,651,414)
On-behalf payments	39,825,251	-	39,825,251	-	-	-	-
Interest on long-term debt	962,106	-	-	-	(962,106)	-	(962,106)
Unallocated depreciation (Note 5)*	3,913,573	-	-	-	(3,913,573)	-	(3,913,573)
Total governmental activities	<u>130,238,230</u>	<u>287,049</u>	<u>50,141,869</u>	<u>-</u>	<u>(79,809,312)</u>	<u>-</u>	<u>(79,809,312)</u>
Business-type activities:							
Food service	3,269,036	328,939	2,663,447	-	-	(276,650)	(276,650)
Total business-type activities	<u>3,269,036</u>	<u>328,939</u>	<u>2,663,447</u>	<u>-</u>	<u>-</u>	<u>(276,650)</u>	<u>(276,650)</u>
Total government	<u>\$ 133,507,266</u>	<u>\$ 615,988</u>	<u>\$52,805,316</u>	<u>\$ -</u>	<u>(79,809,312)</u>	<u>(276,650)</u>	<u>(80,085,962)</u>

\*This amount excludes the depreciation that is included in the direct expenses of the various programs.

STATEMENT B (CONTINUED)  
CHAMPLAIN VALLEY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022

	Governmental Activities	Business-type Activities	Total
Changes in net position:			
Net (expense) revenue	(79,809,312)	(276,650)	(80,085,962)
General revenues:			
Grants and contributions not restricted to specific programs	75,910,800	-	75,910,800
Miscellaneous	1,237,814	99,687	1,337,501
Total general revenues	77,148,614	99,687	77,248,301
Transfers	(383,597)	383,597	-
Change in net position	(2,637,794)	206,634	(2,431,160)
NET POSITION - JULY 1, RESTATED	43,874,881	151,023	44,025,904
NET POSITION - JUNE 30	\$ 41,237,087	\$ 357,657	\$ 41,594,744

See accompanying independent auditor's report and notes to financial statements.

CHAMPLAIN VALLEY SCHOOL DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2022

	General Fund	Medicaid MAC	Construction Fund	2021 Bond Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 4,283,947	\$ -	\$ 356,457	\$ 5,859	\$ 316,913	\$ 4,963,176
Accounts receivable (net of allowance for uncollectibles)	29,229	-	-	-	6,969	36,198
Due from other governments	1,014,053	89,857	-	-	1,755,559	2,859,469
Inventory	78,012	-	-	-	-	78,012
Prepaid items	65,126	-	-	-	-	65,126
Due from other funds	1,525,356	362,376	38,889	140,856	1,142,643	3,210,120
<b>TOTAL ASSETS</b>	<b>\$ 6,995,723</b>	<b>\$ 452,233</b>	<b>\$ 395,346</b>	<b>\$ 146,715</b>	<b>\$ 3,222,084</b>	<b>\$ 11,212,101</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 564,737	\$ 23,175	\$ -	\$ 1,600	\$ 154,426	\$ 743,938
Accrued payroll	171,560	-	-	-	-	171,560
Accrued expenses	1,509,011	-	-	-	-	1,509,011
Due to other governments	3,386	-	-	-	-	3,386
Due to other funds	1,701,722	-	-	-	1,525,356	3,227,078
<b>TOTAL LIABILITIES</b>	<b>3,950,416</b>	<b>23,175</b>	<b>-</b>	<b>1,600</b>	<b>1,679,782</b>	<b>5,654,973</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred revenues	15,465	429,058	-	-	345,430	789,953
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>15,465</b>	<b>429,058</b>	<b>-</b>	<b>-</b>	<b>345,430</b>	<b>789,953</b>
<b>FUND BALANCES</b>						
Nonspendable	143,138	-	-	-	-	143,138
Restricted	-	-	395,346	145,115	1,284,022	1,824,483
Committed	2,932,905	-	-	-	-	2,932,905
Assigned	-	-	-	-	-	-
Unassigned (deficit)	(46,201)	-	-	-	(87,150)	(133,351)
<b>TOTAL FUND BALANCES</b>	<b>3,029,842</b>	<b>-</b>	<b>395,346</b>	<b>145,115</b>	<b>1,196,872</b>	<b>4,767,175</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 6,995,723</b>	<b>\$ 452,233</b>	<b>\$ 395,346</b>	<b>\$ 146,715</b>	<b>\$ 3,222,084</b>	<b>\$ 11,212,101</b>

See accompanying independent auditor's report and notes to financial statements.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2022

	Total Governmental Funds
Total Fund Balances	\$ 4,767,175
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	76,581,631
Deferred outflows of resources related to pensions are not financial resources and therefore are not reported in the funds	3,588,694
Long-term obligations shown below are not due and payable in the current period and therefore are not reported in the funds shown above:	
Bonds payable	(32,876,994)
Notes from direct borrowings payable	(1,117,360)
Capital leases payable	(160,233)
Accrued compensated absences	(306,470)
Accrued severance payable	(48,325)
Net pension liability	(5,767,302)
Deferred inflows of resources related to pensions are not financial resources and therefore are not reported in the funds	(3,423,729)
Net position of governmental activities	\$ 41,237,087

See accompanying independent auditor's report and notes to financial statements.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Medicaid MAC	Construction Fund	2021 Bond Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Intergovernmental revenues	\$ 88,126,882	\$ 824,508	\$ -	\$ -	\$ 4,455,594	\$ 93,406,984
Tuition	16,432	-	-	-	-	16,432
Charges for services	28,298	-	-	-	242,319	270,617
Interest income	99,629	-	185	563	147	100,524
Unrealized gains/(losses), net of activity	-	-	-	1	-	1
Miscellaneous revenues	597,341	-	1,000	-	538,948	1,137,289
<b>TOTAL REVENUES</b>	<b>88,868,582</b>	<b>824,508</b>	<b>1,185</b>	<b>564</b>	<b>5,237,008</b>	<b>94,931,847</b>
<b>EXPENDITURES</b>						
Current:						
Instructional programs	50,389,244	-	-	-	-	50,389,244
Instructional support	9,631,986	-	-	-	-	9,631,986
Administrative/Other support	9,275,398	-	-	-	-	9,275,398
Building operations and maintenance	4,940,060	-	-	-	-	4,940,060
Fiscal services	1,090,007	-	-	-	-	1,090,007
Transportation	4,401,327	-	-	-	-	4,401,327
On-behalf payments	7,179,566	-	-	-	-	7,179,566
Prior year adjustments	13,312	-	-	-	-	13,312
Program expenses	-	824,508	-	-	5,069,225	5,893,733
Debt service:						
Principal	3,003,417	-	-	-	-	3,003,417
Interest	962,106	-	-	-	-	962,106
Capital outlay	-	-	401,588	4,773,145	-	5,174,733
<b>TOTAL EXPENDITURES</b>	<b>90,886,423</b>	<b>824,508</b>	<b>401,588</b>	<b>4,773,145</b>	<b>5,069,225</b>	<b>101,954,889</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,017,841)</b>	<b>-</b>	<b>(400,403)</b>	<b>(4,772,581)</b>	<b>167,783</b>	<b>(7,023,042)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Debt proceeds	406,501	-	-	-	-	406,501
Transfers in	200,000	-	360,000	-	-	560,000
Transfers (out)	(743,597)	-	-	-	(200,000)	(943,597)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(137,096)</b>	<b>-</b>	<b>360,000</b>	<b>-</b>	<b>(200,000)</b>	<b>22,904</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(2,154,937)</b>	<b>-</b>	<b>(40,403)</b>	<b>(4,772,581)</b>	<b>(32,217)</b>	<b>(7,000,138)</b>
<b>FUND BALANCES - JULY 1, RESTATED</b>	<b>5,184,779</b>	<b>-</b>	<b>435,749</b>	<b>4,917,696</b>	<b>1,229,089</b>	<b>11,767,313</b>
<b>FUND BALANCES - JUNE 30</b>	<b>\$ 3,029,842</b>	<b>\$ -</b>	<b>\$ 395,346</b>	<b>\$ 145,115</b>	<b>\$ 1,196,872</b>	<b>\$ 4,767,175</b>

See accompanying independent auditor's report and notes to financial statements.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2022

Net change in fund balances - total governmental funds (Statement E)     \$ (7,000,138)

Amounts reported for governmental activities in the Statement of  
 Activities (Statement B) are different because:

Governmental funds report capital outlays as expenditures while  
 governmental activities report depreciation expense allocated to  
 those expenditures over the life of the assets:

Capital asset acquisitions	6,432,488
Capital asset disposals	(29,973)
Depreciation expense	<u>(3,962,520)</u>
	<u>2,439,995</u>

Deferred outflows of resources are a consumption of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds	<u>(1,633,686)</u>
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Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term obligations in the Statement of Net Position	<u>(409,138)</u>
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Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position	<u>3,052,364</u>
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Deferred inflows of resources are an acquisition of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds	<u>(3,360,565)</u>
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	171,679
Accrued severance payable	42,700
Net pension liability	<u>4,058,995</u>
	<u>4,273,374</u>

Change in net position of governmental activities (Statement B)	<u>\$ (2,637,794)</u>
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See accompanying independent auditor's report and notes to financial statements.



## CHAMPLAIN VALLEY SCHOOL DISTRICT

STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
JUNE 30, 2022

	Enterprise Fund <u>Food Service</u>
<b>ASSETS</b>	
Current assets:	
Accounts receivable (net of allowance for uncollectibles)	\$ 4,874
Due from other governments	383,918
Inventory	73,993
Due from other funds	16,958
Total current assets	<u>479,743</u>
Noncurrent assets:	
Capital assets:	
Building improvements	13,894
Furniture and equipment	172,693
Less: accumulated depreciation	<u>(186,587)</u>
Total noncurrent assets	<u>-</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 479,743</u></u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	122,086
Total current liabilities	<u>122,086</u>
<b>TOTAL LIABILITIES</b>	<u>122,086</u>
<b>NET POSITION</b>	
Unrestricted	<u>357,657</u>
<b>TOTAL NET POSITION</b>	<u>357,657</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><u>\$ 479,743</u></u>

See accompanying independent auditor's report and notes to financial statements.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2022

	Enterprise Fund <hr/> Food Service <hr/>
OPERATING REVENUES	
Intergovernmental	\$ 2,663,447
Charges for services	328,939
Miscellaneous	99,687
TOTAL OPERATING REVENUES	<hr/> 3,092,073 <hr/>
OPERATING EXPENSES	
Salaries	1,113,605
Benefits	573,952
Repairs and maintenance	11,799
Supplies and food	1,457,176
Travel	2,502
Software	4,398
Equipment and maintenance	50,114
Other	55,490
TOTAL OPERATING EXPENSES	<hr/> 3,269,036 <hr/>
OPERATING INCOME (LOSS)	<hr/> (176,963) <hr/>
NONOPERATING REVENUES (EXPENSES)	
Transfers in	383,597
TOTAL NONOPERATING REVENUES (EXPENSES)	<hr/> 383,597 <hr/>
CHANGES IN NET POSITION	206,634
NET POSITION - JULY 1	<hr/> 151,023 <hr/>
NET POSITION - JUNE 30	<hr/> <u>\$ 357,657</u> <hr/>

See accompanying independent auditor's report and notes to financial statements.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Enterprise Funds</u>
	Food Service
	<u>                    </u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 436,654
Intergovernmental receipts	2,372,828
Internal activity - receipts (payments) from/to other funds	105,389
Payments to suppliers	<u>(3,298,468)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(383,597)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in (out)	383,597
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>383,597</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-
CASH AND CASH EQUIVALENTS - JULY 1	<u>-</u>
CASH AND CASH EQUIVALENTS - JUNE 30	<u>\$ -</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	\$ (176,963)
Changes in operating assets, liabilities and deferred inflows of resources:	
(Increase) decrease in accounts receivable	16,982
(Increase) decrease in due from other governments	(290,619)
(Increase) decrease in inventory	3,599
(Increase) decrease in due from other funds	105,389
(Decrease) increase in accounts payable	(33,031)
(Decrease) increase in deferred revenue	<u>(8,954)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (383,597)</u>

See accompanying independent auditor's report and notes to financial statements.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

STATEMENT OF NET POSITION - FIDUCIARY FUNDS  
JUNE 30, 2022

	Total Private- Purpose Funds
	<u>                    </u>
ASSETS	
Cash and cash equivalents	\$ 445,793
TOTAL ASSETS	<u>\$ 445,793</u>
LIABILITIES	
Accounts payable	\$ 34,305
Due to other governments	458
TOTAL LIABILITIES	<u>\$ 34,763</u>
NET POSITION	
Restricted - held in trust	\$ 411,030
TOTAL NET POSITION	<u>\$ 411,030</u>

See accompanying independent auditor's report and notes to financial statements.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022

	Total Private- Purpose Funds
ADDITIONS	
Contributions	
Donations	\$ 52,920
Total contributions	<u>52,920</u>
Investment earnings:	
Income earned	203
Total investment earnings, net	<u>203</u>
Total additions	<u>53,123</u>
DEDUCTIONS	
Other disbursements	47,387
Total deductions	<u>47,387</u>
CHANGE IN NET POSITION	5,736
NET POSITION - JULY 1	<u>405,294</u>
NET POSITION - JUNE 30	<u>\$ 411,030</u>

See accompanying independent auditor's report and notes to financial statements.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity**

The School District operates under the authority of the Vermont education laws. The School District provides services to Champlain Valley Union High School and the towns of St George, Williston, Shelburne, Hinesburg and Charlotte.

The School District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The School District's combined financial statements include all accounts and all operations of the School District. We have determined that the School District has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

**Implementation of New Accounting Standards**

During the year ended June 30, 2022, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 87 "Leases". The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Management has determined they have lease agreements, as Lessee, that need to be reported under GASB 87 in the financial statements.

Statement No. 89 "Accounting for Interest Cost Incurred before the End of a Construction Period". This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 91 "Conduit Debt Obligations". The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 92 "Omnibus 2020". The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 93 "Replacement of Interbank Offered Rates (paragraphs 13-14)". The primary objectives of paragraphs 13-14 concern provisions of lease contracts that are amended while the contract is in effect. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 97 "Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans". The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Management has determined the impact of this Statement is not material to the financial statements.

**Government-Wide and Fund Financial Statements**

The School District's basic financial statements include both government-wide (reporting the School District as a whole) and fund financial statements (reporting the School District's major funds).

Both the government-wide and fund financial statements categorize primary activities as governmental or business-type. The School District's food service is categorized as a business-type activity. All other activities of the School District are categorized as governmental.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The School District's net position is reported in three parts - net investment in capital assets, restricted net position and unrestricted net position. The School District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the School District's functions (instruction, administration, etc.) excluding fiduciary activities. The functions are also supported by general government revenues (certain intergovernmental revenues, charges for services, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (assessments, certain intergovernmental revenues and interest income, etc.).



CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The School District does not allocate indirect costs. All costs are charged directly to the corresponding departments.

The government-wide focus is more on the sustainability of the School District as an entity and the change in the School District's net position resulting from the current year's activities.

**Measurement Focus - Basic Financial Statements and Fund Financial Statements**

The financial transactions of the School District are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the School District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the School District:

**Major Funds**

- a. The General Fund is the general operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. Medicaid MAC Fund is used to account for the proceeds of Medicaid revenues that are legally restricted to expenditures for specified purposes.
- c. The Construction Fund is used to account for the acquisition or construction of major capital facilities that are financed through transfer from the general fund or debt proceeds.
- d. The 2021 Bond Fund is used to account for debt proceeds related to certain public school building improvements.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nonmajor Funds

- e. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- f. The Capital Projects Fund is used to account for the acquisition or construction of major capital facilities.

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Nonoperating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary funds of the School District:

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support the School District's programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds. Component units that are fiduciary in nature have been excluded from these financial statements.

The School District's fiduciary funds are presented in the fiduciary fund financial statements by type (private-purpose). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The emphasis in fund financial statements is on the major funds in the governmental activity category. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

**Budget**

The School District's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

In accordance with Governmental Accounting Standards Board Statement No. 24, *Accounting and Reporting for Certain Grants and Other Financial Assistance*, payments

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

made by the State of Vermont to the Vermont State Retirement System for teachers and certain other school employees are reported as offsetting revenues and expenditures of the general fund.

Revenues per budgetary basis	\$ 82,295,517
Add: On-behalf payments	<u>7,179,566</u>
Total GAAP basis	<u>\$ 89,475,083</u>
Expenditures per budgetary basis	\$ 84,450,454
Add: On-behalf basis	<u>7,179,566</u>
Total GAAP basis	<u>\$ 91,630,020</u>

The following procedures are followed in establishing budgetary data reflected in the financial statements:

1. The annual school budget is the planning management tool, which delineates the School District's educational priorities and programs and forms the basis for voter review and approval of the budget according to applicable State of Vermont education finance laws.
2. The Board budget process includes input from school district administration and staff, educational priorities for the next school year, along with public hearings, which include the Board of Directors and general public.
3. The budget document itself is based upon the most current funding information available along with the projection of current revenues and expenditures for the next year. At the conclusion of the budget process, a final budget is approved by the Board of Directors.

**Deposits and Investments**

The School District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the School District's policy to value investments at fair value. None of the School District's investments are reported at amortized cost. For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be a cash equivalent. The School District Treasurer is authorized by State Statutes to invest all excess funds in the following:

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Obligations of the U.S. Government, its agencies and instrumentalities
- Certificates of deposit and other evidence of deposits at banks, savings and loan associations and credit unions
- Repurchase agreements
- Money market mutual funds

The Champlain Valley School District has no formal investment policy but instead follows the State of Vermont Statutes.

**Receivables**

Receivables include amounts due from governmental agencies and local businesses. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2022. Accounts receivable netted with allowances for uncollectible accounts were \$3,284,459 for the year ended June 30, 2022.

**Inventories and Prepaid Items**

Inventories consist of expendable supplies held for consumption and are valued at cost which approximates market, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when used (consumption method). Inventory of the food service fund consists of supplies and food.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**Interfund Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Transactions Between Funds**

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated capital assets are reported at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Estimated useful lives are as follows:

Buildings and site improvements	10 - 20 years
Buildings	50 years
Computers, servers and related equipment	3 years
Furniture and other equipment	5 - 10 years
Vehicles	5 - 8 years

**Long-term Obligations**

The accounting treatment of long-term obligations depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in government-wide statements. The long-term obligations consist of bonds payable, notes from direct borrowings payable, leases, accrued compensated absences, accrued severance payable and net pension liability.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for the proprietary funds is the same in the fund statements as it is in the government-wide statements.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Vermont State Teachers' Retirement System (VSTRS) and the Vermont Municipal Employees' Retirement System (VMERS) Plans and additions to/deductions from the VSTRS and VMERS Plans' fiduciary net position have been determined on the same basis as they are reported by the VSTRS and VMERS Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**OPEB**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, information about the fiduciary net position of the Vermont State Teachers' Retirement System (VSTRS) and additions to/deductions from the VSTRS OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by VSTRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

**Net Position**

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

**Fund Balance**

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components - nonspendable, restricted, committed, assigned and unassigned.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nonspendable - This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted - This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

Committed - This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the School District. The inhabitants of the School District through School Board meetings are the highest level of decision-making authority of the School District. Commitments may be established, modified or rescinded only through a School District meeting vote.

Assigned - This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is given through Vermont Statutes Annotated Title 16 §567 and is expressed by the School Board.

Unassigned - This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the School District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the School District considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the School Board meeting vote has provided otherwise in its commitment or assignment actions.

**Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School District currently has one type of this item, deferred outflows related to pensions. This item is reported in the statement of net position.



CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred revenues qualify for reporting in this category. This item is reported in both the statements of net position and governmental funds balance sheet. Deferred inflows related to pensions also qualifies for reporting in this category as well. This item is reported only in the statement of net position. All items in this category are deferred and recognized as inflows of resources in the period that the amounts become available.

**Program Revenues**

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services or privileges provided, operating or capital grants and contributions, including special assessments).

**Operating/Nonoperating Proprietary Fund Revenues**

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund's ongoing operations. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Encumbrance Accounting**

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The School District does not utilize encumbrance accounting for its general fund.

**Use of Estimates**

During the preparation of the School District's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS

**Deposits:**

The School District's investment policies, which follow state statutes, authorize the School District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other States and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. These investment policies apply to all School District funds.

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the School District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The School District does not have a policy covering custodial credit risk.

At June 30, 2022, the School District's cash and cash equivalents balance of \$5,408,969 was comprised of bank deposits and cash equivalents of \$5,861,974. The variance between the bank balances and cash equivalents presented and the cash and cash equivalents balances are reconciling items (i.e., deposits in transit, uncleared checks, etc.). This entire amount was either fully insured by federal depository insurance or Securities Investor Protection Corporation (SIPC) and consequently was not exposed to custodial credit risk or was collateralized with securities held by the financial institution in the School District's name or by debt issued in the School District's name.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 2,155,801
Sweep account	3,688,673
Money market fund	17,500
	<u>\$ 5,861,974</u>

**Investments:**

Custodial credit risk for investments is that, in the event of failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the School District does not have a policy for custodial credit risk for investments.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

The School District did not have any investments at June 30, 2022.

Credit risk - Statutes for the State of Vermont authorize the School District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other States and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The School District does not have an investment policy on credit risk. Generally, the School District invests excess funds in savings accounts and various insured certificates of deposit.

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2022 consisted of the following individual fund receivables and payables:

	Receivables (Due from)	Payables (Due to)
General Fund	\$ 1,525,356	\$ 1,701,722
Medicaid Mac Fund	362,376	-
Construction Fund	38,889	-
2021 Bond Fund	140,856	-
Nonmajor Governmental Funds	1,142,643	1,525,356
Enterprise Funds	16,958	-
	<u>\$ 3,227,078</u>	<u>\$ 3,227,078</u>

The result of amounts owed between funds are considered to be in the course of normal operations by the School District. Reconciliation of the amounts owed between funds may or may not be expected to be repaid within one year in their entirety due to the recurring nature of these transactions during operations.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 4 - INTERFUND TRANSFERS

Interfund transfers at June 30, 2022 consisted of the following:

	Transfers From	Transfers To
General Fund	\$ 743,597	\$ 200,000
Construction Fund	-	360,000
Nonmajor Governmental Funds	200,000	-
Enterprise Funds	-	383,597
	<u>\$ 943,597</u>	<u>\$ 943,597</u>

Interfund transfers are the results of legally authorized activity and are considered to be in the course of normal operations.

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2022:

	Balance 7/1/21	Additions	Disposals	Balance 6/30/22
<u>Governmental activities:</u>				
Non-depreciated assets:				
Land	\$ 375,000	\$ -	\$ -	\$ 375,000
Construction in progress	763,589	3,955,363	(305,295)	4,413,657
	<u>1,138,589</u>	<u>3,955,363</u>	<u>(305,295)</u>	<u>4,788,657</u>
Depreciated assets:				
Buildings and improvements	106,616,344	1,432,841	(11,951)	108,037,234
Machinery and equipment	9,141,290	1,140,399	(773,631)	9,508,058
Right of use lease asset	-	209,180	-	209,180
	<u>115,757,634</u>	<u>2,782,420</u>	<u>(785,582)</u>	<u>117,754,472</u>
Less: accumulated depreciation				
Buildings and improvements	(35,829,245)	(3,246,931)	11,951	(39,064,225)
Machinery and equipment	(6,925,342)	(666,642)	743,658	(6,848,326)
Right of use lease asset	-	(48,947)	-	(48,947)
	<u>(42,754,587)</u>	<u>(3,962,520)</u>	<u>755,609</u>	<u>(45,961,498)</u>
Net depreciated assets	<u>73,003,047</u>	<u>(1,180,100)</u>	<u>(29,973)</u>	<u>71,792,974</u>
Net governmental capital assets	<u>\$ 74,141,636</u>	<u>\$ 2,775,263</u>	<u>\$ (335,268)</u>	<u>\$ 76,581,631</u>

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 5 - CAPITAL ASSETS (CONTINUED)

	Balance 7/1/21	Additions	Disposals	Balance 6/30/22
<u>Business-type activities:</u>				
Depreciated assets:				
Building improvements	13,894	-	-	13,894
Machinery and equipment	172,693	-	-	172,693
	<u>186,587</u>	-	-	<u>186,587</u>
Less: accumulated depreciation	<u>(186,587)</u>	-	-	<u>(186,587)</u>
	-	-	-	-
Net business-type capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total capital assets	<u>\$ 74,141,636</u>	<u>\$ 2,775,263</u>	<u>\$ (335,268)</u>	<u>\$ 76,581,631</u>

NOTE 6 - SHORT-TERM DEBT

On July 1, 2021, the School District issued a tax/revenue anticipation note to provide liquidity for governmental operations financed by property taxes. The tax/revenue anticipation note allowed principal draws up to \$9,210,000 at 1.05% interest per annum with a maturity date of June 30, 2022. On June 30, 2022 the tax/revenue anticipation note was paid in full. Interest expense for the note was \$96,440.

Short-term debt activity for the year ended June 30, 2022, was as follows:

	Balance, 7/1/21	Additions	Reductions	Balance, 6/30/22
Tax anticipation note	<u>\$ -</u>	<u>\$ 9,210,000</u>	<u>\$ (9,210,000)</u>	<u>\$ -</u>

NOTE 7 - LONG-TERM DEBT

A summary of long-term debt for the year ended June 30, 2022 is as follows:

	Balance, 7/1/21 (Restated)	Additions	Deletions	Balance, 6/30/22	Current Year Portion
Bonds payable	\$ 35,400,448	\$ -	\$ (2,523,454)	\$ 32,876,994	\$ 2,823,453
Notes from direct borrowings payable	1,397,365	199,958	(479,963)	1,117,360	348,135
Lease liability	-	209,180	(48,947)	160,233	56,132
Total	<u>\$ 36,797,813</u>	<u>\$ 409,138</u>	<u>\$ (3,052,364)</u>	<u>\$ 34,154,587</u>	<u>\$ 3,227,720</u>

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 7 - LONG-TERM DEBT (CONTINUED)

The following is a description of the outstanding bonds and notes and direct borrowings payable:

Bonds payable:

\$14,220,000, 2004 General Obligation bond due to Vermont Municipal Bond Bank in annual principal installments of \$640,000 to \$780,000 through 2024. The fixed interest rate ranges from 1.87% to 5.09% per annum.	\$ 1,920,000
\$249,000, 2013 General Obligation bond due to Vermont Municipal Bond Bank in annual principal installments of \$25,000 with a final principal installment of \$24,000 in 2023. The fixed interest rate ranges from 0.804% to 3.634% per annum.	49,000
\$540,000, 2016 General Obligation bond due to Vermont Municipal Bond Bank in annual principal installments of \$36,000 November of 2031. The fixed interest rate ranges from 1.491% to 2.861% per annum.	360,000
\$2,800,000, 2010 QSCB bond due to Community Bank in full on March 1, 2027. The School District makes annual payments to a sinking fund in the amount of \$159,000. No interest is charged on this bond.	795,000
\$2,500,000, 2010 QSCB bond due to Community Bank in full on March 1, 2027. The School District makes annual payments to a sinking fund in the amount of \$142,000. No interest is charged on this bond.	710,000
\$9,250,000, 2017 General Obligation bond due to Vermont Municipal Bond Bank in annual principal installments of \$462,500 through November 2036. The fixed interest rate charged is 2.732% per annum.	6,937,500
\$480,000, 2008 General Obligation bond due to Vermont Municipal Bond Bank in annual principal installments of \$30,000 to \$35,000 through November of 2023. The fixed interest rate ranges from 1.9% to 4.41% per annum.	60,000
\$365,000, 2011 General Obligation bond due to Vermont Municipal Bond Bank in semi-annual installments of \$11,227 through December 2027. The fixed interest rate charged is 0.179% per annum.	123,494
\$140,000, 2014 General Obligation bond due to Vermont Municipal Bond Bank in annual principal installments of \$14,000 through November of 2024. The fixed interest rate ranges from 0.513% to 3.223% per annum.	42,000
\$19,850,000, 2017 General Obligation bond due to Vermont Municipal Bond Bank in annual principal installments of \$992,500 through November of 2037. The fixed interest rate ranges from 1.55% to 3.82% per annum.	15,880,000
\$6,000,000, 2021 General Obligation bond due to Vermont Municipal Bond Bank in annual principal installments of \$300,000 through November of 2041. The fixed interest rate varies from 0.45% to 2.901% per annum.	<u>6,000,000</u>
Total bonds payable	<u>\$ 32,876,994</u>

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 7 - LONG-TERM DEBT (CONTINUED)

Notes from direct borrowings payable:

\$470,000, Bus note payable to Community National Bank in annual principal installments of \$94,000 through July 2023. Interest is charged at a fixed rate of 2.75% per annum.	\$ 188,000
\$370,000, Capital improvement note payable to Community Bank in annual principal installments of \$24,667 through July 2030. Interest is charged at a fixed rate of 2.45% per annum.	222,000
\$255,840, Bus note payable to Community National Bank in annual principal installments of \$51,168 through July of 2022. Interest is charged at a fixed rate of 2.25% per annum.	51,168
\$485,000, 2020 Bus note payable to People's United Bank in annual principal installments of \$97,000 through July of 2024. Interest is charged at a fixed rate of 2.40% per annum.	291,000
\$206,543, 2021 Capital Equipment Note due to People's United Bank in annual principal installments of \$41,309 through December of 2025. Interest is charged at a fixed rate of 1.55% per annum.	165,234
\$199,958, 2022 Capital Equipment Note due to M & T Bank in annual principal installments of \$39,992 through June, 2027. Interest is charged at a fixed rate of 2.95% per annum.	199,958
	<hr/>
Total notes from direct borrowings payable	<u>\$ 1,117,360</u>

Lease liability:

The School District leases four copiers under a November 2019 non-cancelable lease agreement with Kyocera Document Solutions New England. The contact is for \$28,509 with 39 monthly payments of \$1,006.	\$ 8,048
The School District leases nine copiers under a January 2020 non-cancelable lease agreement with Kyocera Document Solutions New England. The contact is for \$59,220 with 60 monthly payments of \$987.	30,597
The School District leases one copier under a September 2020 non-cancelable lease agreement with Kyocera Document Solutions New England. The contact is for \$3,720 with 60 monthly payments of \$62.	2,418
The School District leases four copiers under a December 2020 non-cancelable lease agreement with Kyocera Document Solutions New England. The contact is for \$40,029 with 36 monthly payments of \$1,112.	20,014
The School District leases four copiers under a March 2021 non-cancelable lease agreement with Kyocera Document Solutions New England. The contact is for \$13,320 with 60 monthly payments of \$222.	9,990

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 7 - LONG-TERM DEBT (CONTINUED)

The School District leases three copiers under a September 2021 non-cancelable lease agreement with Kyocera Document Solutions New England. The contract is for \$12,540 with 60 monthly payments of \$209.	10,659
The School District leases one copier under a October 2021 non-cancelable lease agreement with Kyocera Document Solutions New England. The contract is for \$12,789 with 60 monthly payments of \$213.	10,871
The School District leases three copiers under a November 2021 non-cancelable lease agreement with Kyocera Document Solutions New England. The contract is for \$24,346 with 60 monthly payments of \$404.	21,352
The School District leases six copiers under a April 2022 non-cancelable lease agreement with Kyocera Document Solutions New England. The contract is for \$47,880 with 60 monthly payments of \$798.	<u>46,284</u>
Total lease liability	<u>\$ 160,233</u>

The right of use lease assets associated with these lease liabilities (including amortization/depreciation applicable to the same) are presented as a separate category of Capital Assets and are grouped accordingly on the Statement of Net Position.

The following is a summary of outstanding bond and notes from direct borrowings payable principal and interest requirements for the fiscal years ending June 30:

Year Ending June 30,	Governmental Activities					
	Bonds Payable		Notes from Direct Borrowings Payable		Lease Liability	Total
	Principal	Interest	Principal	Interest	Principal	
2023	\$ 2,823,453	\$ 845,063	\$ 348,135	\$ 26,900	\$ 56,132	\$ 4,099,683
2024	2,822,453	785,948	296,967	18,411	41,413	3,965,192
2025	2,768,453	674,879	202,967	11,085	29,806	3,687,190
2026	2,114,453	543,825	105,967	6,321	21,673	2,792,239
2027	2,114,454	647,883	64,658	3,897	11,209	2,842,101
2028-2032	8,966,228	2,509,513	98,666	4,830	-	11,579,237
2033-2037	8,775,000	1,126,142	-	-	-	9,901,142
2038-2042	2,492,500	124,492	-	-	-	2,616,992
	<u>\$ 32,876,994</u>	<u>\$ 7,257,745</u>	<u>\$ 1,117,360</u>	<u>\$ 71,444</u>	<u>\$ 160,233</u>	<u>\$ 41,483,776</u>

All bonds payable and notes from direct borrowings payable are direct obligations of the School District, for which its full faith and credit are pledged. The School District is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the School District.



CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 7 - LONG-TERM DEBT (CONTINUED)

In 2010, the School District issued two Series 2010 Qualified School Construction Bonds (QSCB) totaling \$5,300,000. Annual principal payments of \$301,000 are deposited into a sinking fund held by the third-party paying agent, Community Bank Trust Services. The deposits and the interest earned on those deposits will be used to make the principal payments in March 2027. The School District is also required to pay its proportionate share of any investment losses incurred on the investment of sinking fund deposits resulting in insufficient funds to pay the bank bonds when due. As of June 30, 2022, the most recent financial information available, the balance in the sinking fund for the School District totaled \$3,647,441.

NOTE 8 - OTHER LONG-TERM OBLIGATIONS

A summary of other long-term obligations for the year ended June 30, 2022 is as follows:

	Balance, 7/1/21	Additions	Deletions	Balance, 6/30/22	Current Year Portion
Accrued compensated absences	\$ 478,149	\$ -	\$ (171,679)	\$ 306,470	\$ 15,324
Accrued severance payable	91,025	20,000	(62,700)	48,325	38,325
Net pension liability	9,826,297	1,885,077	(5,944,072)	5,767,302	-
	<u>\$ 10,395,471</u>	<u>\$ 1,905,077</u>	<u>\$ (6,178,451)</u>	<u>\$ 6,122,097</u>	<u>\$ 53,649</u>

Refer to Notes 9, 10 and 16 for more detailed information regarding other long-term obligations.

NOTE 9 - ACCRUED COMPENSATED ABSENCES

The School District's policies regarding vacation and sick time do permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as long-term obligations in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2022, the School District's liability for compensated absences is \$306,470.

NOTE 10 - ACCRUED SEVERANCE PAYABLE

Teachers that have taught a minimum of ten consecutive years and that are on the 14<sup>th</sup> step of the salary schedule are eligible for severance pay. The liability for accrued severance payable is recorded as long-term obligations in the government-wide financial statements. In the fund financial statements, governmental funds report only the severance liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2022, the School District's liability for severance payable is \$48,325.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 11 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets at June 30, 2022:

	Governmental	Business-type
Investment in capital assets	\$ 122,543,129	\$ 186,587
Accumulated depreciation	(45,961,498)	(186,587)
Capital related debt	<u>(34,154,587)</u>	<u>-</u>
	<u>\$ 42,427,044</u>	<u>\$ -</u>

NOTE 12 - RESTRICTED NET POSITION AND RESTRICTED FUND BALANCES

At June 30, 2022, the School District had the following restricted net position and restricted fund balances:

Construction fund	\$ 395,346
2021 bond fund	145,115
Nonmajor special revenue funds (Schedule E):	
CVU student activities fund	564,154
Charlotte student activities fund	14,224
Hinesburg student activities fund	95,100
Shelburne student activities fund	64,062
Williston student activities fund	52,415
Nonmajor capital projects funds (Schedule G):	
Capital projects fund	<u>494,067</u>
	<u>\$ 1,824,483</u>

NOTE 13 - NONSPENDABLE FUND BALANCES

At June 30, 2022, the School District had the following nonspendable fund balances:

General fund:	
Inventory	\$ 78,012
Prepaid items	65,126
	<u>\$ 143,138</u>

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 14 - COMMITTED FUND BALANCES

At June 30, 2022, the School District had the following committed fund balances:

General fund:	
FY 2023 budget	\$ 1,000,000
Revenue for future budgets	<u>1,932,905</u>
	<u>\$ 2,932,905</u>

NOTE 15 - DEFICIT FUND BALANCE

At June 30, 2022, the School District had the following deficit fund balances:

Nonmajor capital projects funds (Schedule G):	
2022 bond fund	<u>\$ 87,150</u>

NOTE 16 - DEFINED BENEFIT PENSION PLANS

VERMONT STATE TEACHERS' RETIREMENT SYSTEM

**Plan Description**

All of the teachers employed by the School District participate in the Vermont State Teachers' Retirement System ("VSTRS"), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, covering nearly all public day school and nonsectarian private Union teachers and administrators as well as teachers in schools and teacher training institutions within and supported by the State of Vermont that are controlled by the State Board of Education. Membership in the system for those covered classes is a condition of employment. During the year ended June 30, 2020 (the most recent period available), the retirement system consisted of 23,436 participating members.

The plan was established effective July 1, 1947 and is governed by *Title 16, V.S.A. Chapter 55*. Subsequent Vermont state legislation, *Act 74*, which became effective on July 1, 2010, contained numerous changes to the plan benefits available to current and future members, as well as a change in access to health care coverage after retirement, resulting from a multi-party agreement to provide sustainability of quality pension and retiree health benefits for Vermont teachers.

The general administration and responsibility for formulating administrative policy and procedures of the retirement System for its members and their beneficiaries is vested in the Board of Trustees consisting of six members. They are the Secretary of Education (ex-officio), the State Treasurer (ex-officio), the Commissioner of Financial Regulation

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

(ex-officio), two members and one alternate elected by active members of the System under rules adopted by the Board and one retired member and one alternate elected by the board of directors of Association of Retired Teachers of Vermont. The Chair is elected by the Board and acts as executive officer of the Board.

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of creditable service. The Vermont State Agency of Administration issues a publicly available Annual Comprehensive Financial Report that includes financial statements and required supplementary information for the VSTRS. That report may be viewed on the State’s Department of Finance and Management website at: [Annual Comprehensive Financial Report | Department of Finance and Management \(vermont.gov\)](https://www.vermont.gov/finance/annual-comprehensive-financial-report).

**Benefits Provided**

The VSTRS provides retirement and disability benefits, annual cost-of-living adjustments, health care and death benefits to plan members and beneficiaries. There are two levels of contributions and benefits in the System: Group A - for public school teachers employed within the State of Vermont prior to July 1, 1981 and elected to remain in Group A and Group C - for public school teachers employed within the State of Vermont on or after July 1, 1990. Group C also includes those teachers hired prior to July 1, 1990 and were in Group B on July 1, 1990. When Act 74 became effective on June 30, 2010, Group C was further bifurcated into Groups #1 and #2. Group #1 contains members who were at least 57 years of age or had at least 25 years of service and Group #2 contains members who were less than 57 years of age and had less than 25 years of service.

Benefits available to each group are based on average final compensation (AFC) and years of creditable service and are summarized below:

<b>VSTRS</b>	<b>Group A</b>	<b>Group C - Group # 1</b>	<b>Group C - Group # 2</b>
Normal service retirement eligibility (no reduction)	Age 60 or 30 years of service	Age 62 or with 30 years of service	Age 65 or when the sum of age and service equals 90

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

<b>VSTRS</b>	<b>Group A</b>	<b>Group C - Group # 1</b>	<b>Group C - Group # 2</b>
Average Final Compensation (AFC)	Highest 3 consecutive years, including unused annual leave, sick leave and bonus/incentives	Highest 3 consecutive years, excluding all payments for anything other than service actually performed	Highest 3 consecutive years, excluding all payments for anything other than service actually performed
Benefit formula - normal service retirement	1.67% x creditable service x AFC	1.25% x service prior to 7/1/90 x AFC + 1.67% x service after 7/1/90 x AFC	1.25% x service prior to 7/1/90 x AFC + 1.67% x service after 7/1/90 x AFC, 2.0% after attaining 20 years
Maximum Benefit Payable	100% of AFC	53.34% of AFC	60% of AFC
Post-Retirement COLA	Full CPI, up to a maximum of 5% after 12 months of retirement; minimum of 1%	50% CPI, up to a maximum of 5% after 12 months of retirement or with 30 years; minimum of 1%	50% CPI, up to a maximum of 5%, minimum of 1% after 12 months of normal retirement or age 65
Early Retirement Eligibility	Age 55 with 5 years of service	Age 55 with 5 years of service	Age 55 with 5 years of service
Early Retirement Reduction	Actuarial reduction	6% per year from age 62	Actuarial reduction

Other post-employment benefits are available to all plan members include the following:

<b>VSTRS</b>	<b>Group A</b>	<b>Group C – Group # 1</b>	<b>Group C – Group # 2</b>
Medical Benefits	Health subsidy based on member's service credit	Health subsidy based on member's service credit	Health subsidy based on member's service credit
Dental	Members pay full premium	Members pay full premium	Members pay full premium

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

**Contributions**

VSTRS is a cost-sharing public employee retirement system with one exception: all risks and costs are not shared by the School District but are the liability of the State of Vermont. VSTRS is funded through State and employee contributions and trust fund investment earnings; and the School District has no legal obligation for paying benefits. Required contributions to the System are made by the State of Vermont based upon a valuation report prepared by the System’s actuary, which varies by plan group. The Vermont State Teachers Retirement System estimates the contributions on behalf of the School District’s employees included in the teacher’s retirement plan which approximates \$7,179,566 or 19.28% of total payroll for employees covered under the plan.

Employee contribution rates by plan group follow:

<b>VSTRS</b>	<b>Group A</b>	<b>Group C – Group # 1</b>	<b>Group C – Group # 2</b>
Employee Contributions	5.5% of gross salary; contributions stop after 25 years of creditable service	5.0% of gross salary	5.0% of gross salary with 5 or more years of service as of 7/1/14; 6.0% of gross salary if less than 5 years of service as of 7/1/14

Employee contributions totaled \$1,994,841 during the year and were paid by the School District to the State of Vermont. The School District has no other liability under the plan. The School District’s total payroll for all employees covered under this plan was \$37,238,413 for the year ended June 30, 2022. Beginning in 2016, School Districts that pay for teachers with federal dollars are required to include costs of pensions in the federal grant, lowering the liability for the State. Federally funded pension costs reimbursed to the State by the School District for the fiscal year ending June 30, 2022 were \$335,054. The School District’s total payroll for all federal funded employees covered under this plan was \$1,737,832 for the year ended June 30, 2022.

VERMONT MUNICIPAL EMPLOYEES’ RETIREMENT SYSTEM

**Plan Description**

The Vermont Municipal Employees’ Retirement System (VMERS) is a cost sharing, multi-employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees. The plan was established effective July 1, 1975, and

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

is governed by Title 24, V.S.A. Chapter 125. It is designed for persons employed on a regular basis by a school district or by a supervisory union for no fewer than 1,040 hours in a year and for no fewer than 30 hours a week for the school year, as defined in 16 V.S.A. § 1071, or for no fewer than 1,040 hours in a year and for no fewer than 24 hours a week year-round; provided, however, that if a person who was employed on a regular basis by a school district as either a special education or transportation employee and who was transferred to and is working in a supervisory union in the same capacity pursuant to 16 V.S.A. § 261a(a)(6) or (8)(E) and if that person is also employed on a regular basis by a school district within the supervisory union, then the person is an "employee" if these criteria are met by the combined hours worked for the supervisory union and school district. The term shall also mean persons employed on a regular basis by a municipality other than a school district for no fewer than 1,040 hours in a year and for no fewer than 24 hours per week, including persons employed in a library at least one-half of whose operating expenses are met by municipal funding. For the year ended June 30, 2020 (the most recent data available), the retirement system consisted of 15,548 participating members.

The general administration and responsibility for formulating administrative policy and procedures of the Retirement System for its members and their beneficiaries is vested in the Board of Trustees consisting of five members. They are the State Treasurer, two employee representatives elected by the membership of the system and two employer representatives-one elected by the governing bodies of participating employers of the system and one selected by the Governor from a list of four nominees. The list of four nominees is jointly submitted by the Vermont League of Cities and Schools and the Vermont School Boards Association.

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of creditable service. VMERS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Annual Comprehensive Financial Report. That report may be viewed on the State's Department of Finance and Management website at: [Annual Comprehensive Financial Report | Department of Finance and Management \(vermont.gov\)](https://www.vermont.gov/finance/annual-comprehensive-financial-report).

**Benefits Provided**

The pension plan is divided into four membership groups:

- Group A - general employees whose legislative bodies have not elected to become a member of Group B or Group C
- Groups B and C - general employees whose legislative bodies have elected to become members of Group B or Group C

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

- Group D - sworn police officers, firefighters and emergency medical personnel

The School District participates in Groups A, B and C. Benefits available to each group are based on average final compensation (AFC) and years of creditable service and are summarized below:

<b>VMERS</b>	<b>Group A</b>	<b>Group B</b>	<b>Group C</b>	<b>Group D</b>
Normal service retirement eligibility	Age 65 with 5 years of service or age 55 with 35 years of service	Age 62 with 5 years of service or age 55 with 30 years of service	Age 55 with 5 years of service	Age 55 with 5 years of service
Average Final Compensation (AFC)	Highest 5 consecutive years	Highest 3 consecutive years	Highest 3 consecutive years	Highest 2 consecutive years
Benefit formula – Normal Service Retirement (no reduction)	1.4% x creditable service x AFC	1.7% x creditable service x AFC + previous service; 1.4% x Group A service x AFC	2.5% x creditable service x AFC + previous service; 1.4% x Group A service x AFC; 1.7% x Group B x AFC	2.5% x creditable service x AFC + previous service; 1.4% x Group A service x AFC; 1.7% x Group B x AFC; 2.5% x Group C service x AFC
Maximum Benefit Payable	60% of AFC	60% of AFC	50% of AFC	50% of AFC
Post-Retirement COLA	50% of CPI, up to 2% per year	50% of CPI, up to 3% per year	50% of CPI, up to 3% per year	50% of CPI, up to 3% per year
Early Retirement Eligibility	Age 55 with 5 years of service	Age 55 with 5 years of service	N/A	Age 50 with 20 years of service
Early Retirement Reduction	6% per year from age 65 **	6% per year from age 62 **	N/A	No reduction



CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

\*\* - A special early retirement factor of 3% per year only for municipal police officers who have attained age 60

Members of all groups may qualify for vested deferred allowance, disability allowances and death benefit allowance subject to meeting various eligibility requirements. Benefits are based on AFC and service.

**Contributions**

Title 24 VSA Chapter 125 of Vermont Statutes grants the authority to the Retirement Board to annually review the amount of municipalities' contributions as recommended by the actuary of the retirement system in order to achieve and preserve the financial integrity of the fund and to certify the rates of contributions payable by employers. The Board of Trustees also certifies the rates of contribution payable by employees. Contribution rates for each group as of July 1, 2020 are as follows:

<b>VMERS</b>	<b>Group A</b>	<b>Group B</b>	<b>Group C</b>	<b>Group D</b>
Employee Contributions	3.250% of gross salary	5.625% of gross salary	10.750% of gross salary	12.100% of gross salary
Employer Contributions	4.750% of gross salary	6.250% of gross salary	8.000% of gross salary	10.600% of gross salary

Employee contributions are withheld pre-income tax by the School District and are remitted to the State of Vermont. Such withholdings for the year ended June 30, 2022 totaled \$1,027,104. The School District contributed \$949,821 for the year ended June 30, 2022. The School District's total payroll for the year ended June 30, 2022 for all employees covered under this plan was \$13,996,795.

**Pension Liabilities**

*VSTRS Plan*

The State is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of member employers. Therefore, these employers are considered to be in a special funding situation as defined in GASB No. 68 and the State is treated as a nonemployer to VSTRS. Since the School District does not contribute directly to VSTRS, no net pension liability was recorded at June 30, 2022. The State's portion of the collective net pension liability that was associated with the School District was as follows:

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

School District's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the School District	<u>84,204,804</u>
Total	<u>\$ 84,204,804</u>

The State of Vermont's proportionate share of the net pension liability associated with the School District is equal to the collective net pension liability, actuarially measured as of June 30, 2021, multiplied by the School District's proportionate share percentage. The School District's proportionate share percentage was based on its reported salaries to the total reported salaries for all participating employers. At June 30, 2021, the School District's proportion was 4.96664% which was of 0.19379% from its proportion measured as of June 30, 2020.

*VMERS Plan*

At June 30, 2022, the School District reported a liability of \$5,767,302 for its proportionate share of the net pension liabilities for each plan. The net pension liabilities were measured as of June 30, 2021 and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of June 30, 2021. The School District's proportion of the net pension liabilities were based on a projection of the School District's long-term share of contributions to each pension plan relative to the projected contributions of all participating towns, actuarially determined.

At June 30, 2021, the School District's proportion was 3.91842% for VMERS, which was of 0.19379% from its proportion measured as of June 30, 2020 for VMERS.

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2022, the School District recognized total pension expense of \$25,737,887 and revenue of \$25,737,887 for support provided by the State of Vermont for the VSTRS plan. In the same period, the School District recognized pension expense of \$935,256 for the VMERS plan. At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

	VSTRS		VMERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -	\$ 1,074,922	\$ -
Changes of assumptions	-	-	911,609	-
Net difference between projected and actual earnings on pension plan investments	-	-	-	3,400,562
Changes in proportion and differences between contributions and proportionate share of contributions	-	-	652,342	23,167
Contributions subsequent to the measurement date	-	-	949,821	-
Total	\$ -	\$ -	\$ 3,588,694	\$ 3,423,729

\$949,821 reported as deferred outflows of resources related to pensions resulting from 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	VSTRS Plan	VMERS Plan
Plan year ended June 30:		
2022	\$ -	\$ 604,863
2023	-	(132,858)
2024	-	(350,081)
2025	-	(906,781)
2026	-	-
Thereafter	-	-

**Significant Actuarial Assumptions and Methods**

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using the actuarial assumptions outlined below.

*Investment Rate of Return:* For both plans, 7.00%, net of pension plan investment expenses, including inflation.

*Inflation:* For both plans, 2.30%.

*Salary Increases:* For the VSTRS plan, increases ranging from 3.30% to 10.50%. For the VMERS plan, varying, service-based rates from 0-10 years of service, then a single rate of 4.50% (includes assumed inflation rate of 2.30%) for all subsequent years.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Deaths After Retirement:

The VSTRS plan's mortality rates were based on historical and current demographic data, adjusted to reflect health characteristics of the underlying groups and estimated future experience and professional judgment. The mortality tables were then adjusted to future years using the generational projection to reflect future mortality improvement between the measurement date and those years.

- *Pre-Retirement:* PubT-2010 Teacher Employee Amount-Weighted Table with generational projection using scale MP-2019

- *Retiree Healthy Post-Retirement:* PubT-2010 Teacher Healthy Retiree Amount-Weighted Table with generational projection using scale MP- 2019

- *Disabled Post-Retirement:* PubNS-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table with generational projection using scale MP-2019

The VMERS plan's mortality rates for pre-retirement, healthy retirees and disabled retirees for Groups A, B, C and D were based on historical and current demographic data, adjusted to reflect health characteristics of the underlying groups and estimated future experience and professional judgment. The mortality tables were then adjusted to future years using the generational projection to reflect future mortality improvement between the measurement date and those years.

*Pre-Retirement:*

- Groups A/B/C - 40% PubG-2010 General Employee Amount-Weighted below-median and 60% of PubG-2010 General Employee Amount-Weighted, with generational projection using Scale MP-2019.

- Group D - PubG-2010 General Employee Amount-Weighted above-median, with generational projection using scale MP-2019.

*Healthy Post-Retirement - Retirees:*

- Groups A/B/C - 104% of 40% PubG-2010 General Healthy Retiree Amount-Weighted below-median and 60% of PubG-2010 General Healthy Retiree Amount-Weighted, with generational projection using scale MP-2019.

- Group D - PubG-2010 General Healthy Retiree Amount-Weighted, with generational projection using scale MP-2019.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

*Inactive Members:* For both plans, valuation liability equals 100% of accumulated contributions. Inactive who are vested immediately become Deferred Members and the liabilities for all Deferred Members are based on the accrued benefit.

*Future Administrative Expenses:* No provisions were made for the VSTRS plan as Systems expenses are paid for by the State. For the VMERS plan, an expense adjustment based on actual expenses for the previous year is reflected in the development of recommended employer contribution levels.

*Unknown Data for Participants:* For both plans, they are the same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.

*Percent Married:* For both plans, 85% of male members are assumed to be married. 35% of female members for the VSTRS plan and 50% of female members for the VMERS plan are assumed to be married.

*Spouse's Age:* For both plans, husbands are assumed to be three years older than their wives.

*Cost-of-Living Adjustments:* Adjustments for both plans are assumed to occur on January 1 following one year of retirement. For the VSTRS plan this occurs at the rate of 2.40% per annum for Group A members and 1.35% per annum for Group C members (beginning at age 62 for Group C members who elect reduced early retirement). The January 1, 2021 and January 1, 2022 COLAs are 0.00% and 4.60%, respectively, for group A and 1.00% and 2.30%, respectively, for group C. For the VMERS plan, this occurs at the rate of 1.10% per annum for Group A members and 1.20% per annum for Groups B, C and D members (beginning Normal Retirement eligibility age for members who elect reduced early retirement, at age 62 for Group A, B and D members who receive a disability retirement benefit and at age 55 for members of Group C who receive a disability retirement benefit). The January 1, 2021 COLA is 0.40% for all groups. The January 1, 2022 COLA is 2.00% for Group A members and 2.30% for Group B, C and D members.

*Actuarial Cost Method:* For both plans is the Entry Age Actuarial Cost Method. Entry age is the age at date of employment, or if date is unknown, current age minus years of service. Normal Cost and Accrued Actuarial Liability are calculated on an individual basis and are allocated by salary, with Normal Cost determined using the plan of benefits applicable to each participant.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

For the VSTRS plan, the *asset valuation method* used equals the preliminary asset value plus 20% of the difference between the market and preliminary asset values. The preliminary asset value is equal to the previous year's asset value (for valuation purposes) adjusted for contributions less benefit payments and expenses and expected investment income. If necessary, a further adjustment is made to ensure that the valuation assets are within 20% of the market value.

A smoothing *asset valuation method* was used for funding purposes in the VMERS plan, under which the value of assets for actuarial purposes equals market value less a five-year phase-in of the differences between actual and assumed investment return. Then value of assets for actuarial purposes may not differ from the market value of assets by more than 20%.

The *long-term expected rate of return* on both plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) developed for each major asset class. These best estimate ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Passive Global Equities	24.00%	5.05%
Active Global Equities	5.00%	5.05%
US Equity - Large Cap	4.00%	4.00%
US Equity - Small/Mid Cap	3.00%	4.50%
Non-US Developed Market Equities	7.00%	5.50%
Non-US Equity - Small Cap	0.00%	0.00%
Emerging Markets Debt	4.00%	3.00%
Core Bonds	19.00%	0.00%
Private and Alternative Credit	10.00%	4.75%
US TIPS	3.00%	-0.50%
Core Real Estate	4.00%	3.75%
Non-Core Real Estate	4.00%	5.75%
Private Equity	10.00%	6.75%
Infrastructure/Farmland	3.00%	4.25%

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00% for the VSTRS plan and the VMERS plan. The projection of cash flows used to determine the discount rate assumed that contributions will continue to be made in accordance with the current funding policy which exceeds the actuarially determined contribution rate. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current System members. The assumed discount rate has been determined in accordance with the method prescribed by GASB 68.

**Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.00% for both the VSTRS and VMERS plans, 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 (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease	Discount Rate	1% Increase
<u>VSTRS:</u>			
Discount rate	6.00%	7.00%	8.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
<u>VMERS:</u>			
Discount rate	6.00%	7.00%	8.00%
School District's proportionate share of the net pension liability	\$ 11,399,401	\$ 5,767,302	\$ 1,136,068

**Pension Plan Fiduciary Net Position**

The schedule of employer allocations and schedule of pension amounts by employer are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The schedules present amounts that are elements of the financial statements of the VSTRS and VMERS or their participating employers. VSTRS and VMERS do not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Annual Comprehensive Financial Report. That report can be viewed on the State's Department of Finance and Management website at: [Annual Comprehensive Financial Report | Department of Finance and Management \(vermont.gov\)](https://www.vermont.gov/finance/annual-comprehensive-financial-report).

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

VERMONT STATE TEACHERS' RETIREMENT SYSTEM

**Plan Description**

The Vermont State Teachers' Retirement System provides postemployment benefits to eligible VSTRS employees who retire from the System through a cost-sharing, multiple-employer postemployment benefit (OPEB) plan (the Plan).

The plan covers nearly all public day school and nonsectarian private high school teachers and administrators as well as teachers in schools and teacher training institutions within and supported by the State that are controlled by the State Board of Education. Membership in the system for those covered classes is a condition of employment. During the year ended June 30, 2020, the Plan consisted of 7,094 retired members or beneficiaries currently receiving benefits and 9,996 active members.

Vermont Statute Title 16 Chapter 55 assigns the authority to VSTRS to establish and amend the benefits provisions of the Plan and to establish maximum obligations of the Plan members to contribute to the Plan. Management of the Plan is vested in the Vermont State Teachers' Retirement System Board of Trustees, which consists of the Secretary of Education (ex-officio); the State Treasurer (ex-officio); the Commissioner of Financial Regulation (ex-officio); two trustees and one alternate who are members of the system (each elected by the system under rules adopted by the Board) and one trustee and one alternate who are retired members of the system receiving retirement benefits (who are elected by the Association of Retired Teachers of Vermont).

All assets of the Plan are held in a single trust and are available to pay OPEB benefits to all members. The Vermont State Agency of Administration issues a publicly available Annual Comprehensive Financial Report that includes financial statements and required supplementary information for the VSTRS. That report may be viewed on the State's Department of Finance and Management website at: [Annual Comprehensive Financial Report | Department of Finance and Management \(vermont.gov\)](#).

**Benefits Provided**

VSTRS retirees and their spouses are eligible for medical, prescription drug and dental benefits on a lifetime basis if the retiree is eligible for pension benefits, as described in the Notes to Financial Statements for Defined Benefit Plan(s).



CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

**Contributions**

Varying levels of contributions are required from retirees and spouses for medical and prescription drug coverage at the following premium subsidy rates:

	<b>Retiree Subsidy</b>		<b>Spouse Subsidy*</b>	
Retired before June 30, 2010	At least ten years of service - 80% of premium Less than ten years of service - 0% of premium		0% of premium	
Retired after June 30, 2010	10 years or more of service at June 30, 2010 - 80% of premium		Years of service at June 30, 2010 - 80% of premium if meet the following years of service at retirement requirement:	
	Less than 10 years of service at June 30, 2010:			
	Less than 15 years at retirement	0% of premium	Less than 10 years	25 years at retirement
	15-19.99 years at retirement	60% of premium	10-14.99 years	25 years at retirement
	20-24.99 years at retirement	70% of premium	15-24.99 years	10 additional years from June 30, 2010
	25 years or more at retirement	80% of premium	25-29.99 years 30 or more years	35 years at retirement 5 additional years from June 30, 2010

\* Spouses of retirees who do not meet the requirements for an 80% subsidy can receive unsubsidized coverage.

Premium Reduction Option: Participants retiring on or after January 1, 2007 with a VSTRS premium subsidy have a one-time option to reduce the VSTRS subsidy percentage during the retiree's life so that a surviving spouse may continue to receive the same VSTRS subsidy for the spouse's lifetime. If the retiree elects the joint and survivor pension option but not the Premium Reduction Option, spouses are covered for the spouse's lifetime but pay 100% of the plan premium after the retiree's death.

Retirees pay full cost of dental benefits.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

**OPEB Liabilities**

The State is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of member employers. Therefore, these employers are considered to be in a special funding situation as defined in GASB No. 75 and the State is treated as a nonemployer to VSTRS. Since the School District does not contribute directly to VSTRS, no net OPEB liability was recorded at June 30, 2022. The State's portion of the collective net OPEB liability that was associated with the School District was as follows:

School District's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the School District	<u>54,005,878</u>
Total	<u>\$ 54,005,878</u>

The State of Vermont's proportionate share of the net OPEB liability associated with the School District is equal to the collective net OPEB liability, actuarially measured as of June 30, 2021, multiplied by the School District's proportionate share percentage. The School District's proportionate share percentage was based on its reported salaries to the total reported salaries for all participating employers. At June 30, 2020, the School District's proportion was 4.23381% which was an increase of 0.026591% from its proportion measured as of June 30, 2020.

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2022, the School District recognized total OPEB expense of \$6,907,798 and revenue of \$6,907,798 for support provided by the State of Vermont for the Plan. At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	<u>VSTRS OPEB Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>

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

	<u>VSTRS OPEB Plan</u>
Plan year ended June 30:	
2022	\$ -
2023	-
2024	-
2025	-
2026	-
Thereafter	-

**Discount Rate**

The discount rate is the single rate of return, that when applied to all projected benefit payments, results in an actuarial present value that is the sum of the actuarial present value of projected benefit payments projected to be funded by plan assets using a long term rate of return and the actuarial present value of projected benefit payments that are not included in (1) using a yield or index rate for 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The sensitivity of net OPEB liability to changes in discount rate are as follows:

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	1% Decrease	Discount Rate	1% Increase
VSTRS OPEB Plan: Discount rate	1.20%	2.20%	3.20%
School District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -

**Healthcare Trend Rate**

Health care trend measures the anticipated overall rate at which health plan costs are expected to increase in future years. The trend rate assumptions were developed using Segal's internal guidelines, which are established each year using data sources such as the 2021 Segal Health Trend Survey, internal client results, trends from other published surveys prepared by the S&P Dow Jones Indices, consulting firms and brokers and CPI statistics published by the Bureau of Labor Statistics. The sensitivity of net OPEB liability to changes in healthcare trend rates are as follows:

	1% Decrease	Healthcare Trend Rates	1% Increase
School District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -

**Actuarial Methods and Assumptions**

The total OPEB liability for the Plan was determined by an actuarial valuation as of June 30, 2020, using the following methods and assumptions applied to all periods included in the measurement:

*Actuarial Cost Method*

The Entry Age Normal Actuarial Cost Method is used to determine costs. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for this Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets. As of July 1, 2021, there is 27 years remaining on the amortization period.

*Amortization*

The total OPEB liability of this Plan is amortized on a closed 30-year period. The amortization method is a level percent of payroll method.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

*Asset Valuation Method*

The Asset Valuation Method used is market value as of the measurement date.

The long-term expected rate of return on OPEB plan investments are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation, long-term expected rates of return for each major asset class and expected inflation, as of June 30, 2021, are summarized below:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Passive Global Equities	24.00%	5.05%
Active Global Equities	5.00%	5.05%
US Equity - Large Cap	4.00%	4.00%
US Equity - Small/Mid Cap	3.00%	4.50%
Non-US Developed Market Equities	7.00%	5.50%
Emerging Markets Debt	4.00%	3.00%
Core Bonds	19.00%	0.00%
Private and Alternative Credit	10.00%	4.75%
US TIPS	3.00%	-0.50%
Core Real Estate	4.00%	3.75%
Non-Core Real Estate	4.00%	5.75%
Private Equity	10.00%	6.75%
Infrastructure/Farmland	3.00%	4.25%
	100.00%	

*Assumptions*

The actuarial assumptions used to calculate the actuarially determined contribution rates can be found in the Report on the Actuarial Valuation of Post-Retirement Benefits of the Vermont State Teachers' Retirement System Prepared as of June 30, 2016 completed by Buck Consulting. As of June 30, 2021, they are as follows:

Discount Rate	2.20%
Salary Increase Rate	Varies by age
Non-Medicare	6.700% graded to 4.50% over 10 years
Medicare	6.000% graded to 4.50% over 11 years
Retiree Contributions	Equal to health trend

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 17 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Pre-retirement Mortality	PubT-2010 Teacher Employee Headcount-Weighted Table with generational projection using scale MP-2019
Post-retirement Mortality	Retirees: PubT-2010 Teacher Healthy Retiree Headcount-Weighted Table Spouses: 109% of the Pub-2010 Contingent Survivor Headcount-Weighted Table, both Retirees and Spouses with generational projection using scale MP-2019

**Changes in Net OPEB Liability**

Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2021 with the following exceptions:

*Changes in Assumptions*

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The amortization period remaining was twenty-seven years as of July 1, 2021. For the fiscal year ended June 30, 2021, the discount rate was decreased from 2.21% to 2.20%.

**OPEB Plan Fiduciary Net Position**

The schedule of employer allocations and schedule of OPEB amounts by employer are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The schedules present amounts that are elements of the financial statements of VSTRS or their participating employers. VSTRS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Annual Comprehensive Financial Report. That report can be viewed on the State's Department of Finance and Management website at: [Annual Comprehensive Financial Report | Department of Finance and Management \(vermont.gov\)](#).

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 18 - RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions and injuries to employees. The School District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the School District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

In addition, the School District is a member of the Vermont Education Health Initiative (VEHI). VEHI is a nonprofit corporation formed to provide insurance and risk management programs for Vermont School Districts and is owned by the participating districts.

To provide health insurance coverage, VEHI has established a self-funded fully insured program in conjunction with Blue Cross and Blue Shield. A portion of member contributions is used to purchase reinsurance and to fund a reserve required by the reinsurance. The pooling agreement does not permit the pool to make additional assessments to its members.

NOTE 19 - CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the School District's financial position.

The School District participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the School District's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

The School District participates in a medical insurance plan negotiated through VEHI. This plan is a high-deductible plan with an HRA (Health Reimbursement Arrangement) funded by the School District. The organization contracted to coordinate the processing of claims on behalf of the School District with HRA funds has not processed all claims as of June 30, 2022 and through the date of this report. Additionally, they were unable to provide management with the outstanding amount to be expensed by the School District through June 30, 2022. Therefore, the amount, if any, of any liabilities arising from the unprocessed claims cannot be determined at this time.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 20 - COMPARATIVE DATA/RECLASSIFICATIONS

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the School District's financial position and operations. Also, certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

NOTE 21 - RESTATEMENTS

In 2022, the School District determined that certain transactions were recorded incorrectly or omitted. Restatements were required to the general fund's beginning fund balance to correct an error in benefits payable. The beginning general fund's fund balance were decreased by \$200,000 to \$5,184,779.

It was determined the School District did not have control or ownership over the QSCB Bond investments held by the third-party paying agent, Community Bank Trust Services in accordance with the QSCB bond agreements. The beginning debt service fund balance of \$3,493,259 was removed and reduced the governmental activities net position by the same amount. The QSCB outstanding debt balance was reduced by \$3,494,000 to reflect the balance of payments due to the third-party paying agent, Community Bank Trust Services and increased the net position by the same amount.

The resulting restatements decreased governmental activities net position from \$44,074,140 to \$43,874,881.

NOTE 22 - SUBSEQUENT EVENTS

On July 1, 2022, the School District issued a tax/revenue anticipation note in anticipation of tax revenues to meet its operating obligations during the fiscal year. The note allows principal draws up to \$9,891,000 at a fixed interest rate of 1.35% and a maturity date of June 30, 2023.

On July 15, 2022, the School District issued a five-year \$210,000 capital equipment note through M&T Bank at 3.25% fixed interest per annum. Annual principal payments are \$42,000 are due on July 15<sup>th</sup>.

On August 11, 2022, the School District closed on a 2022 Series 2 and Series 3 20-year bonds for \$1,500,000 with the Vermont Bond Bank. Annual principal payments due on November 1 of each year of \$75,000 along with a fixed interest rate of 3.535%.



## Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
- Schedule of Proportionate Share of the Net Pension Liability
- Schedule of Contributions - Pensions
- Schedule of Proportionate Share of the Net OPEB Liability
- Schedule of Contributions - OPEB
- Notes to Required Supplementary Information

## CHAMPLAIN VALLEY SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Positive (Negative)
Budgetary Fund Balance, July 1, Restated	\$ 5,184,779	\$ 5,184,779	\$ 5,184,779	\$ -
Resources (Inflows):				
Intergovernmental:				
State/Town support	69,969,649	69,969,649	69,969,649	-
Other	12,625,331	12,625,331	10,977,667	(1,647,664)
Tuition	46,960	46,960	16,432	(30,528)
Charges for services	-	-	28,298	28,298
Interest income	150,000	150,000	99,629	(50,371)
Miscellaneous	234,500	234,500	597,341	362,841
Bond proceeds	-	-	406,501	406,501
Transfers from other funds	200,000	200,000	200,000	-
Amounts Available for Appropriation	<u>88,411,219</u>	<u>88,411,219</u>	<u>87,480,296</u>	<u>(930,923)</u>
Charges to Appropriations (Outflows):				
Instructional programs	51,613,778	51,613,778	50,389,244	1,224,534
Instructional support	10,574,478	10,574,478	9,631,986	942,492
Administrative/Other support	8,970,310	8,970,310	9,275,398	(305,088)
Building operations and maintenance	5,137,940	5,137,940	4,940,060	197,880
Fiscal services	1,199,011	1,199,011	1,090,007	109,004
Transportation	3,341,135	3,341,135	4,401,327	(1,060,192)
Debt service:				
Principal	3,003,415	3,003,415	3,003,417	(2)
Interest	966,268	966,268	962,106	4,162
Prior year adjustments	-	-	13,312	(13,312)
Transfers to other funds	479,105	479,105	743,597	(264,492)
Total Charges to Appropriations	<u>85,285,440</u>	<u>85,285,440</u>	<u>84,450,454</u>	<u>834,986</u>
Budgetary Fund Balance, June 30	<u>\$ 3,125,779</u>	<u>\$ 3,125,779</u>	<u>\$ 3,029,842</u>	<u>\$ (95,937)</u>
Utilization of committed fund balance	<u>\$ 2,059,000</u>	<u>\$ 2,059,000</u>	<u>\$ -</u>	<u>\$(2,059,000)</u>

See accompanying independent auditor's report and notes to financial statements.

CHAMPLAIN VALLEY SCHOOL DISTRICT

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
LAST 10 FISCAL YEARS\*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>VSTRS:</u>									
Proportion of the net pension liability School District's proportionate share of the net pension liability	4.97%	4.77%	4.77%	4.76%	4.74%	4.69%	4.93%	5.00%	4.78%
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District Total	84,204,804	93,124,348	74,451,932	71,972,257	70,271,804	61,384,462	58,376,467	47,951,519	\$ 48,407,770
	<u>\$ 84,204,804</u>	<u>\$ 93,124,348</u>	<u>\$ 74,451,932</u>	<u>\$ 71,972,257</u>	<u>\$ 70,271,804</u>	<u>\$ 61,384,462</u>	<u>\$ 58,376,467</u>	<u>\$ 47,951,519</u>	<u>\$ 48,407,770</u>
Covered payroll	\$ 36,064,087	\$ 34,065,655	\$ 32,764,674	\$ 32,278,448	\$ 31,262,756	\$ 29,715,990	\$ 29,016,707	\$ 29,209,810	\$ 28,080,639
Proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	58.83%	50.00%	54.96%	54.81%	53.98%	55.31%	58.22%	64.02%	60.59%
<u>VMERS:</u>									
Proportion of the net pension liability Proportionate share of the net pension liability	3.92%	3.88%	3.89%	3.94%	4.03%	4.32%	4.24%	4.08%	4.17%
	\$ 5,767,302	\$ 9,826,297	\$ 6,748,112	\$ 5,538,962	\$ 4,879,427	\$ 5,563,450	\$ 3,271,737	\$ 391,067	\$ 1,600,481
Covered payroll	\$ 13,347,240	\$ 12,926,796	\$ 12,266,618	\$ 11,585,010	\$ 11,694,713	\$ 11,784,678	\$ 10,986,178	\$ 10,788,041	10,583,704
Proportionate share of the net pension liability as a percentage of its covered payroll	43.21%	76.01%	55.01%	47.81%	41.72%	47.21%	29.78%	3.63%	15.12%
Plan fiduciary net position as a percentage of the total pension liability	89.29%	74.52%	80.35%	82.60%	83.64%	80.95%	87.42%	98.32%	92.71%

\* The amounts presented for each fiscal year were determined as of June 30 and are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

CHAMPLAIN VALLEY SCHOOL DISTRICT

SCHEDULE OF CONTRIBUTIONS - PENSIONS  
LAST 10 FISCAL YEARS\*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>VSTRS:</b>									
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$37,238,413	\$ 36,064,087	\$ 34,065,655	\$ 32,764,674	\$ 32,278,448	\$ 31,262,756	\$ 29,715,990	\$ 29,016,707	\$ 29,209,810
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>VMERS:</b>									
Contractually required contribution	\$949,821	\$ 869,871	\$ 807,915	\$ 747,451	\$ 689,398	\$ 657,709	\$ 657,019	\$ 593,208	\$ 552,832
Contributions in relation to the contractually required contribution	<u>(949,821)</u>	<u>(869,871)</u>	<u>(807,915)</u>	<u>(747,451)</u>	<u>(689,398)</u>	<u>(657,709)</u>	<u>(657,019)</u>	<u>(593,208)</u>	<u>(552,832)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$13,996,795	\$ 13,347,240	\$ 12,926,796	\$ 12,266,618	\$ 11,585,010	\$ 11,694,713	\$ 11,784,678	\$ 10,986,178	\$ 10,788,041
Contributions as a percentage of covered payroll	6.79%	6.52%	6.25%	6.09%	5.95%	5.62%	5.58%	5.40%	5.12%

\* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

CHAMPLAIN VALLEY SCHOOL DISTRICT

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
LAST 10 FISCAL YEARS\*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>VSTRS OPEB Plan:</u>					
Proportion of the net OPEB liability School District's proportionate share of the net OPEB liability	4.23%	3.97%	3.93%	3.93%	3.84%
	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the School District Total	<u>54,005,878</u>	<u>49,971,760</u>	<u>40,928,482</u>	<u>37,546,495</u>	<u>35,763,784</u>
	<u>\$ 54,005,878</u>	<u>\$ 49,971,760</u>	<u>\$ 40,928,482</u>	<u>\$ 37,546,495</u>	<u>\$ 35,763,784</u>
Covered payroll	\$ 36,064,087	\$ 34,065,655	\$ 32,764,674	\$ 32,278,448	\$ 31,262,756
Proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.69%	0.69%	0.03%	-2.85%	-2.94%

\* The amounts presented for each fiscal year were determined as of June 30 and are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

CHAMPLAIN VALLEY SCHOOL DISTRICT

SCHEDULE OF CONTRIBUTIONS - OPEB  
LAST 10 FISCAL YEARS\*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>VSTRS OPEB Plan:</u>					
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 37,238,413	\$ 36,064,087	\$ 34,065,655	\$ 32,764,674	\$ 32,278,448
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%

\* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

CHAMPLAIN VALLEY SUPERVISORY UNION

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2022

**Changes of Assumptions**

VSTRS Pension Plan:

There have been no changes in actuarial assumptions since the last measurement date.

VMERS Pension Plan:

There have been no changes in actuarial assumptions since the last measurement date.

VSTRS OPEB Plan:

The discount rate was decreased from 2.21% to 2.20%.

The per capita valuation-year claims and retiree contribution rates were updated.

Future male retirees were assumed to be two years older than their spouses, decreased from three years.

See accompanying independent auditor's report and notes to financial statements.

## Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues
- Schedule of Departmental Operations - General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet - Major Capital Projects Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Major Capital Projects Funds
- Combining Schedule of Net Position - Fiduciary Funds - Private-Purpose Funds
- Combining Schedule of Changes in Net Position - Fiduciary Funds - Private-Purpose Funds



## CHAMPLAIN VALLEY SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
 BUDGET AND ACTUAL - GENERAL FUND REVENUES  
 FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variance Positive (Negative)
Resources (Inflows):				
Intergovernmental revenues:				
Education spending grant	\$ 69,485,887	\$ 69,485,887	\$ 69,485,887	\$ -
Supplemental assistance grant	483,762	483,762	483,762	-
State aid transportation	1,214,358	1,214,358	1,143,548	(70,810)
Driver education reimbursement	10,000	10,000	16,503	6,503
High school completion reimbursement	5,000	5,000	16,805	11,805
Medicaid EDPSDT	97,073	97,073	-	(97,073)
Special education reimbursement	7,310,922	7,310,922	6,350,331	(960,591)
Mainstream block grant	1,580,005	1,580,005	1,580,005	-
Extraordinary reimbursement	772,498	772,498	500,650	(271,848)
State-placed special education	219,908	219,908	411,618	191,710
IDEA-B	699,998	699,998	-	(699,998)
Special education EEE	330,466	330,466	330,466	-
Medicaid	203,574	203,574	-	(203,574)
Program grants	107,529	107,529	512,435	404,906
Vocational transportation	74,000	74,000	108,224	34,224
Unenrolled resident reimbursement	-	-	7,082	7,082
Charges for services:				
Tuition	46,960	46,960	16,432	(30,528)
Transportation	-	-	28,298	28,298
Interest income	150,000	150,000	99,629	(50,371)
Miscellaneous:				
Prior year adjustments/other	-	-	189,183	189,183
Miscellaneous	51,500	51,500	42,691	(8,809)
Community service	-	-	182,039	182,039
Rentals	183,000	183,000	174,912	(8,088)
Gain/loss on sale of fixed assets	-	-	8,516	8,516
Bond proceeds	-	-	406,501	406,501
Transfers in	200,000	200,000	200,000	-
Amounts Available for Appropriation	<u>\$ 83,226,440</u>	<u>\$ 83,226,440</u>	<u>\$ 82,295,517</u>	<u>\$ (930,923)</u>

See accompanying independent auditor's report and notes to financial statements.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Instructional programs -</b>				
Instructional programs	\$ 34,877,488	\$ 34,877,488	\$ 34,691,254	\$ 186,234
Special education				
Instructional programs	13,699,848	13,699,848	12,586,390	1,113,458
Summer	258,268	258,268	285,342	(27,074)
504	143,206	143,206	159,839	(16,633)
Vocational/tech ed	888,486	888,486	858,346	30,140
Athletics	1,139,673	1,139,673	1,145,984	(6,311)
Cocurriculars	448,661	448,661	424,198	24,463
Adult education	-	-	90,955	(90,955)
Summer school	158,148	158,148	146,936	11,212
	<u>51,613,778</u>	<u>51,613,778</u>	<u>50,389,244</u>	<u>1,224,534</u>
<b>Instructional support -</b>				
Guidance	3,146,653	3,146,653	2,919,310	227,343
Health	871,813	871,813	899,089	(27,276)
Psychology	506,854	506,854	495,054	11,800
Speech and language	1,718,207	1,718,207	1,712,107	6,100
Occupational therapy	251,363	251,363	226,691	24,672
Physical therapy	156,507	156,507	171,159	(14,652)
Other student support services	234,679	234,679	25,076	209,603
CVU access - other student support	-	-	107,050	(107,050)
Instructional and curricular development	1,052,088	1,052,088	736,251	315,837
Instructional staff training	867,755	867,755	606,825	260,930
Library/media	1,097,707	1,097,707	1,150,356	(52,649)
Instructional technology	670,852	670,852	581,930	88,922
Instructional SPED other	-	-	1,088	(1,088)
	<u>10,574,478</u>	<u>10,574,478</u>	<u>9,631,986</u>	<u>942,492</u>
<b>Administrative/Other support -</b>				
School board	252,328	252,328	298,399	(46,071)
Executive administration	1,254,597	1,254,597	1,317,696	(63,099)
Other executive administration	37,240	37,240	24,904	12,336
Campus administration	3,612,677	3,612,677	3,787,687	(175,010)
Special education administration	888,851	888,851	709,168	179,683
Other administrative support services	229,478	229,478	247,434	(17,956)
Personnel services	776,009	776,009	796,870	(20,861)
Technology services	1,919,130	1,919,130	2,093,240	(174,110)
	<u>8,970,310</u>	<u>8,970,310</u>	<u>9,275,398</u>	<u>(305,088)</u>

SCHEDULE B (CONTINUED)  
CHAMPLAIN VALLEY SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Building operations and maintenance</b>	5,137,940	5,137,940	4,940,060	197,880
<b>Fiscal service</b>	1,199,011	1,199,011	1,090,007	109,004
<b>Transportation</b>	3,341,135	3,341,135	4,401,327	(1,060,192)
<b>Debt service</b>				
Principal	3,003,415	3,003,415	3,003,417	(2)
Interest	966,268	966,268	962,106	4,162
	<u>3,969,683</u>	<u>3,969,683</u>	<u>3,965,523</u>	<u>4,160</u>
<b>Prior year adjustments</b>	-	-	13,312	(13,312)
<b>Transfer to other funds</b>				
Construction fund	110,000	110,000	360,000	(250,000)
Food service fund	369,105	369,105	383,597	(14,492)
	<u>479,105</u>	<u>479,105</u>	<u>743,597</u>	<u>(264,492)</u>
<b>TOTAL DEPARTMENTAL OPERATIONS</b>	<u>\$ 85,285,440</u>	<u>\$ 85,285,440</u>	<u>\$ 84,450,454</u>	<u>\$ 834,986</u>

See accompanying independent auditor's report and notes to financial statements.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ 316,913	\$ 316,913
Accounts receivable (net of allowance for uncollectibles)	6,969	-	6,969
Due from other governments	1,578,405	177,154	1,755,559
Due from other funds	1,142,643	-	1,142,643
<b>TOTAL ASSETS</b>	<u>\$ 2,728,017</u>	<u>\$ 494,067</u>	<u>\$ 3,222,084</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 109,966	\$ 44,460	\$ 154,426
Due to other funds	1,482,666	42,690	1,525,356
<b>TOTAL LIABILITIES</b>	<u>1,592,632</u>	<u>87,150</u>	<u>1,679,782</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenues	345,430	-	345,430
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>345,430</u>	<u>-</u>	<u>345,430</u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	789,955	494,067	1,284,022
Committed	-	-	-
Assigned	-	-	-
Unassigned (deficit)	-	(87,150)	(87,150)
<b>TOTAL FUND BALANCES</b>	<u>789,955</u>	<u>406,917</u>	<u>1,196,872</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 2,728,017</u>	<u>\$ 494,067</u>	<u>\$ 3,222,084</u>

See accompanying independent auditor's report and notes to financial statements.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	\$ 4,455,594	\$ -	\$ 4,455,594
Interest income	-	147	147
Charges for services/fees	-	242,319	242,319
Other	538,948	-	538,948
TOTAL REVENUES	<u>4,994,542</u>	<u>242,466</u>	<u>5,237,008</u>
EXPENDITURES			
Other	4,982,075	87,150	5,069,225
TOTAL EXPENDITURES	<u>4,982,075</u>	<u>87,150</u>	<u>5,069,225</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>12,467</u>	<u>155,316</u>	<u>167,783</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers (out)	-	(200,000)	(200,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(200,000)</u>	<u>(200,000)</u>
NET CHANGE IN FUND BALANCES	12,467	(44,684)	(32,217)
FUND BALANCES - JULY 1	<u>777,488</u>	<u>451,601</u>	<u>1,229,089</u>
FUND BALANCES - JUNE 30	<u>\$ 789,955</u>	<u>\$ 406,917</u>	<u>\$ 1,196,872</u>

See accompanying independent auditor's report and notes to financial statements.

## Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2022

	CVU Student Activities	Charlotte Student Activities	Hinesburg Student Activities	Shelburne Student Activities	Williston Student Activities	Licensing Fees	Rowland Foundation
<b>ASSETS</b>							
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ 200	\$ -	\$ -	\$ 414	\$ -	\$ -
Due from other governments	-	-	-	-	-	-	-
Due from other funds	579,998	14,024	95,100	64,062	52,705	1,066	50,374
<b>TOTAL ASSETS</b>	<b>\$ 579,998</b>	<b>\$ 14,224</b>	<b>\$ 95,100</b>	<b>\$ 64,062</b>	<b>\$ 53,119</b>	<b>\$ 1,066</b>	<b>\$ 50,374</b>
<b>LIABILITIES</b>							
Accounts payable	\$ 15,844	\$ -	\$ -	\$ -	\$ 704	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>15,844</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>704</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred revenues	-	-	-	-	-	1,066	50,374
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,066</b>	<b>50,374</b>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	564,154	14,224	95,100	64,062	52,415	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>564,154</b>	<b>14,224</b>	<b>95,100</b>	<b>64,062</b>	<b>52,415</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 579,998</b>	<b>\$ 14,224</b>	<b>\$ 95,100</b>	<b>\$ 64,062</b>	<b>\$ 53,119</b>	<b>\$ 1,066</b>	<b>\$ 50,374</b>

CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2022

	NVRRC	Hinesburg Misc Grants	Charlotte Misc Grants	CVU Sustainability Grant	VHP	Vermont Children's Trust	Mentors Grant
<b>ASSETS</b>							
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-	-
Due from other funds	6,152	6,083	2,606	56,606	7,558	-	-
<b>TOTAL ASSETS</b>	<b>\$ 6,152</b>	<b>\$ 6,083</b>	<b>\$ 2,606</b>	<b>\$ 56,606</b>	<b>\$ 7,558</b>	<b>\$ -</b>	<b>\$ -</b>
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred revenues	6,152	6,083	2,606	56,606	7,558	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>6,152</b>	<b>6,083</b>	<b>2,606</b>	<b>56,606</b>	<b>7,558</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 6,152</b>	<b>\$ 6,083</b>	<b>\$ 2,606</b>	<b>\$ 56,606</b>	<b>\$ 7,558</b>	<b>\$ -</b>	<b>\$ -</b>



CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2022

	ARP IDEA	ARP Homeless II	Wellness Initiative	PCE Grant	Parentin	Stars	WCSS
<b>ASSETS</b>							
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ -	\$ 6,238	\$ -	\$ -
Due from other governments	44,593	13,082	-	-	-	-	-
Due from other funds	-	-	1,037	-	-	3,450	1,103
<b>TOTAL ASSETS</b>	<b>\$ 44,593</b>	<b>\$ 13,082</b>	<b>\$ 1,037</b>	<b>\$ -</b>	<b>\$ 6,238</b>	<b>\$ 3,450</b>	<b>\$ 1,103</b>
<b>LIABILITIES</b>							
Accounts payable	\$ 13,070	\$ -	\$ -	\$ -	\$ 1,507	\$ 203	\$ -
Due to other funds	31,523	13,082	-	-	4,731	-	-
<b>TOTAL LIABILITIES</b>	<b>44,593</b>	<b>13,082</b>	<b>-</b>	<b>-</b>	<b>6,238</b>	<b>203</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred revenues	-	-	1,037	-	-	3,247	1,103
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>1,037</b>	<b>-</b>	<b>-</b>	<b>3,247</b>	<b>1,103</b>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 44,593</b>	<b>\$ 13,082</b>	<b>\$ 1,037</b>	<b>\$ -</b>	<b>\$ 6,238</b>	<b>\$ 3,450</b>	<b>\$ 1,103</b>

CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2022

	RPP	BEST/ ACT 230	BEST	EPSDT	FEMA	ESSER II	ARP ESSER
<b>ASSETS</b>							
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	15,190	160	10,736	56,347	539,512	335,950
Due from other funds	-	-	-	135,738	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 15,190</b>	<b>\$ 160</b>	<b>\$ 146,474</b>	<b>\$ 56,347</b>	<b>\$ 539,512</b>	<b>\$ 335,950</b>
<b>LIABILITIES</b>							
Accounts payable	-	11,700	-	-	-	784	50,567
Due to other funds	-	3,490	160	-	56,347	538,728	285,383
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>15,190</b>	<b>160</b>	<b>-</b>	<b>56,347</b>	<b>539,512</b>	<b>335,950</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred revenues	-	-	-	146,474	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>146,474</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 15,190</b>	<b>\$ 160</b>	<b>\$ 146,474</b>	<b>\$ 56,347</b>	<b>\$ 539,512</b>	<b>\$ 335,950</b>

CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2022

	ARP IDEA Preschool	School Vaccine Incentive	ARP Childcare	STEAM First Robotics	SMPEIS	IDEA Preschool	IDEA Formula
<b>ASSETS</b>							
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ 117	\$ -	\$ -	\$ -
Due from other governments	4,020	-	-	13,874	16,559	2,859	277,710
Due from other funds	-	32,474	27,507	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 4,020</b>	<b>\$ 32,474</b>	<b>\$ 27,507</b>	<b>\$ 13,991</b>	<b>\$ 16,559</b>	<b>\$ 2,859</b>	<b>\$ 277,710</b>
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ 1,857	\$ -	\$ 10,122	\$ -	\$ -	\$ 2,136
Due to other funds	4,020	-	-	3,869	16,559	2,859	275,574
<b>TOTAL LIABILITIES</b>	<b>4,020</b>	<b>1,857</b>	<b>-</b>	<b>13,991</b>	<b>16,559</b>	<b>2,859</b>	<b>277,710</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred revenues	-	30,617	27,507	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>30,617</b>	<b>27,507</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 4,020</b>	<b>\$ 32,474</b>	<b>\$ 27,507</b>	<b>\$ 13,991</b>	<b>\$ 16,559</b>	<b>\$ 2,859</b>	<b>\$ 277,710</b>

CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2022

	Title IV	Title III	Title II	Title I	REDDUCS Grant	Total
<b>ASSETS</b>						
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,969
Due from other governments	2,995	1,702	57,051	186,065	-	1,578,405
Due from other funds	-	-	-	-	5,000	1,142,643
<b>TOTAL ASSETS</b>	<b>\$ 2,995</b>	<b>\$ 1,702</b>	<b>\$ 57,051</b>	<b>\$ 186,065</b>	<b>\$ 5,000</b>	<b>\$ 2,728,017</b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ 132	\$ -	\$ 1,340	\$ -	\$ 109,966
Due to other funds	2,995	1,570	57,051	184,725	-	1,482,666
<b>TOTAL LIABILITIES</b>	<b>2,995</b>	<b>1,702</b>	<b>57,051</b>	<b>186,065</b>	<b>-</b>	<b>1,592,632</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred revenues	-	-	-	-	5,000	345,430
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	<b>345,430</b>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	789,955
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>789,955</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 2,995</b>	<b>\$ 1,702</b>	<b>\$ 57,051</b>	<b>\$ 186,065</b>	<b>\$ 5,000</b>	<b>\$ 2,728,017</b>

See accompanying independent auditor’s report and notes to financial statements.

CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2022

	CVU Student Activities	Charlotte Student Activities	Hinesburg Student Activities	Shelburne Student Activities	Williston Student Activities	Licensing Fees	Rowland Foundation
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,341
Other	357,425	4,360	26,772	33,084	41,375	1,081	-
TOTAL REVENUES	<u>357,425</u>	<u>4,360</u>	<u>26,772</u>	<u>33,084</u>	<u>41,375</u>	<u>1,081</u>	<u>46,341</u>
EXPENDITURES							
Other	361,696	4,291	16,371	30,486	37,705	1,081	46,341
TOTAL EXPENDITURES	<u>361,696</u>	<u>4,291</u>	<u>16,371</u>	<u>30,486</u>	<u>37,705</u>	<u>1,081</u>	<u>46,341</u>
NET CHANGE IN FUND BALANCES	(4,271)	69	10,401	2,598	3,670	-	-
FUND BALANCES - JULY 1	<u>568,425</u>	<u>14,155</u>	<u>84,699</u>	<u>61,464</u>	<u>48,745</u>	<u>-</u>	<u>-</u>
FUND BALANCES - JUNE 30	<u>\$ 564,154</u>	<u>\$ 14,224</u>	<u>\$ 95,100</u>	<u>\$ 64,062</u>	<u>\$ 52,415</u>	<u>\$ -</u>	<u>\$ -</u>

CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>NVRRC</u>	<u>Hinesburg Misc Grants</u>	<u>Charlotte Misc Grants</u>	<u>CVU Sustainability Grant</u>	<u>VHP</u>	<u>Vermont Children's Trust</u>	<u>Mentors Grant</u>
REVENUES							
Intergovernmental	\$ -	\$ 420	\$ -	\$ 38,666	\$ -	\$ 14,450	\$ 24,000
Other	<u>63,785</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,066</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	<u>63,785</u>	<u>420</u>	<u>-</u>	<u>38,666</u>	<u>6,066</u>	<u>14,450</u>	<u>24,000</u>
EXPENDITURES							
Other	<u>63,785</u>	<u>420</u>	<u>-</u>	<u>38,666</u>	<u>6,066</u>	<u>14,450</u>	<u>24,000</u>
TOTAL EXPENDITURES	<u>63,785</u>	<u>420</u>	<u>-</u>	<u>38,666</u>	<u>6,066</u>	<u>14,450</u>	<u>24,000</u>
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-	-
FUND BALANCES - JULY 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2022

	ARP IDEA	ARP Homeless II	Wellness Initiative	PCE Grant	Parentin	Stars	WCSS
REVENUES							
Intergovernmental	\$ 71,624	\$ 16,785	\$ -	\$ 2,952	\$ 16,456	\$ 976	\$ -
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>71,624</u>	<u>16,785</u>	<u>-</u>	<u>2,952</u>	<u>16,456</u>	<u>976</u>	<u>-</u>
EXPENDITURES							
Other	<u>71,624</u>	<u>16,785</u>	<u>-</u>	<u>2,952</u>	<u>16,456</u>	<u>976</u>	<u>-</u>
TOTAL EXPENDITURES	<u>71,624</u>	<u>16,785</u>	<u>-</u>	<u>2,952</u>	<u>16,456</u>	<u>976</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-	-
FUND BALANCES - JULY 1	-	-	-	-	-	-	-
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>RPP</u>	<u>BEST/ ACT 230</u>	<u>BEST</u>	<u>EPSDT</u>	<u>FEMA</u>	<u>ESSER II</u>	<u>ARP ESSER</u>
REVENUES							
Intergovernmental	\$ 3,973	\$ 15,190	\$ 160	\$ 108,283	\$ 56,347	\$ 539,512	\$ 704,112
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>3,973</u>	<u>15,190</u>	<u>160</u>	<u>108,283</u>	<u>56,347</u>	<u>539,512</u>	<u>704,112</u>
EXPENDITURES							
Other	<u>3,973</u>	<u>15,190</u>	<u>160</u>	<u>108,283</u>	<u>56,347</u>	<u>539,512</u>	<u>704,112</u>
TOTAL EXPENDITURES	<u>3,973</u>	<u>15,190</u>	<u>160</u>	<u>108,283</u>	<u>56,347</u>	<u>539,512</u>	<u>704,112</u>
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-	-
FUND BALANCES - JULY 1	-	-	-	-	-	-	-
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2022

	ARP IDEA Preschool	School Vaccine Incentive	ARP Childcare	STEAM First Robotics	SMPEIS	IDEA Preschool	IDEA Formula
REVENUES							
Intergovernmental	\$ 8,058	\$ 18,365	\$ 2,230	\$ 13,874	\$ 60,000	\$ 22,343	\$ 1,563,589
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>8,058</u>	<u>18,365</u>	<u>2,230</u>	<u>13,874</u>	<u>60,000</u>	<u>22,343</u>	<u>1,563,589</u>
EXPENDITURES							
Other	8,058	18,365	2,230	13,874	60,000	22,343	1,563,589
TOTAL EXPENDITURES	<u>8,058</u>	<u>18,365</u>	<u>2,230</u>	<u>13,874</u>	<u>60,000</u>	<u>22,343</u>	<u>1,563,589</u>
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-	-
FUND BALANCES - JULY 1	-	-	-	-	-	-	-
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2022

	Title IV	Title III	Title II	Title I	REDDUCS Grant	Total
REVENUES						
Intergovernmental	\$ 108,063	\$ 25,919	\$ 266,472	\$ 706,434	\$ -	\$ 4,455,594
Other	-	-	-	-	5,000	538,948
TOTAL REVENUES	<u>108,063</u>	<u>25,919</u>	<u>266,472</u>	<u>706,434</u>	<u>5,000</u>	<u>4,994,542</u>
EXPENDITURES						
Other	108,063	25,919	266,472	706,434	5,000	4,982,075
TOTAL EXPENDITURES	<u>108,063</u>	<u>25,919</u>	<u>266,472</u>	<u>706,434</u>	<u>5,000</u>	<u>4,982,075</u>
NET CHANGE IN FUND BALANCES	-	-	-	-	-	12,467
FUND BALANCES - JULY 1	-	-	-	-	-	<u>777,488</u>
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 789,955</u>

See accompanying independent auditor’s report and notes to financial statements.

## Capital Projects Fund

The capital projects funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUND  
JUNE 30, 2022

	Capital Projects Fund	2022 Bond Fund	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 316,913	\$ -	\$ 316,913
Due from other governments	177,154	-	177,154
<b>TOTAL ASSETS</b>	<u>\$ 494,067</u>	<u>\$ -</u>	<u>\$ 494,067</u>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ 44,460	\$ 44,460
Due to other funds	-	42,690	42,690
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>87,150</u>	<u>87,150</u>
<b>FUND BALANCES (DEFICITS)</b>			
Nonspendable	-	-	-
Restricted	494,067	-	494,067
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	(87,150)	(87,150)
<b>FUND BALANCES (DEFICITS)</b>	<u>494,067</u>	<u>(87,150)</u>	<u>406,917</u>
<b>TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)</b>	<u>\$ 494,067</u>	<u>\$ -</u>	<u>\$ 494,067</u>

See accompanying independent auditor's report and notes to financial statements.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED JUNE 30, 2022

	Capital Projects Fund	2022 Bond Fund	Total
REVENUES			
Interest income	\$ 147	\$ -	\$ 147
Charges for services/fees	242,319	-	242,319
TOTAL REVENUES	<u>242,466</u>	<u>-</u>	<u>242,466</u>
EXPENDITURES			
Other	-	87,150	87,150
TOTAL EXPENDITURES	<u>-</u>	<u>87,150</u>	<u>87,150</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>242,466</u>	<u>(87,150)</u>	<u>155,316</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers (out)	(200,000)	-	(200,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(200,000)</u>	<u>-</u>	<u>(200,000)</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	42,466	(87,150)	(44,684)
FUND BALANCES (DEFICITS) - JULY 1	<u>451,601</u>	<u>-</u>	<u>451,601</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 494,067</u>	<u>\$ (87,150)</u>	<u>\$ 406,917</u>

See accompanying independent auditor's report and notes to financial statements.

## Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support the School District's programs.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING SCHEDULE OF NET POSITION - FIDUCIARY FUNDS - PRIVATE-PURPOSE FUNDS  
JUNE 30, 2022

	<u>Charlotte</u>	<u>Hinesburg</u>	<u>Shelburne</u>	<u>Williston</u>	<u>CVU</u>	<u>CVSD</u>	<u>Total</u>
<b>ASSETS</b>							
Cash and cash equivalents	\$ 5,911	\$ 94,027	\$ 62,287	\$ 4,674	\$ 277,044	\$ 1,850	\$ 445,793
<b>TOTAL ASSETS</b>	<b><u>\$ 5,911</u></b>	<b><u>\$ 94,027</u></b>	<b><u>\$ 62,287</u></b>	<b><u>\$ 4,674</u></b>	<b><u>\$ 277,044</u></b>	<b><u>\$ 1,850</u></b>	<b><u>\$ 445,793</u></b>
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 34,305	\$ -	\$ 34,305
Due to other governments	-	-	458	-	-	-	458
<b>TOTAL LIABILITIES</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 458</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 34,305</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 34,763</u></b>
<b>NET POSITION</b>							
Restricted - held in trust	\$ 5,911	\$ 94,027	\$ 61,829	\$ 4,674	\$ 242,739	\$ 1,850	\$ 411,030
<b>TOTAL NET POSITION</b>	<b><u>\$ 5,911</u></b>	<b><u>\$ 94,027</u></b>	<b><u>\$ 61,829</u></b>	<b><u>\$ 4,674</u></b>	<b><u>\$ 242,739</u></b>	<b><u>\$ 1,850</u></b>	<b><u>\$ 411,030</u></b>

See accompanying independent auditor's report and notes to financial statements.

## CHAMPLAIN VALLEY SCHOOL DISTRICT

COMBINING SCHEDULE OF CHANGES IN NET POSITION - FIDUCIARY FUNDS  
PRIVATE-PURPOSE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022

	Charlotte	Hinesburg	Shelburne	Williston	CVU	CVSD	Total
<b>ADDITIONS</b>							
Contributions							
Donations	\$ -	\$ 51,000	\$ -	\$ -	\$ 1,520	\$ 400	\$ 52,920
Total contributions	<u>-</u>	<u>51,000</u>	<u>-</u>	<u>-</u>	<u>1,520</u>	<u>400</u>	<u>52,920</u>
Investment earnings:							
Income earned	<u>3</u>	<u>40</u>	<u>32</u>	<u>3</u>	<u>124</u>	<u>1</u>	<u>203</u>
Total investment earnings, net	<u>3</u>	<u>40</u>	<u>32</u>	<u>3</u>	<u>124</u>	<u>1</u>	<u>203</u>
Total additions	<u>3</u>	<u>51,040</u>	<u>32</u>	<u>3</u>	<u>1,644</u>	<u>401</u>	<u>53,123</u>
<b>DEDUCTIONS</b>							
Scholarship awards	-	-	-	-	-	-	-
Other disbursements	<u>-</u>	<u>36,804</u>	<u>1,636</u>	<u>395</u>	<u>8,550</u>	<u>2</u>	<u>47,387</u>
Total deductions	<u>-</u>	<u>36,804</u>	<u>1,636</u>	<u>395</u>	<u>8,550</u>	<u>2</u>	<u>47,387</u>
CHANGE IN NET POSITION	3	14,236	(1,604)	(392)	(6,906)	399	5,736
NET POSITION - JULY 1	<u>5,908</u>	<u>79,791</u>	<u>63,433</u>	<u>5,066</u>	<u>249,645</u>	<u>1,451</u>	<u>405,294</u>
NET POSITION - JUNE 30	<u>\$ 5,911</u>	<u>\$ 94,027</u>	<u>\$ 61,829</u>	<u>\$ 4,674</u>	<u>\$ 242,739</u>	<u>\$ 1,850</u>	<u>\$ 411,030</u>

See accompanying independent auditor's report and notes to financial statements.



## Federal Compliance Description

Federal compliance includes financial information and reports that are required in accordance with *Government Auditing Standards* and/or the Uniform Guidance in accordance with 2 CFR § 515. Such financial information and reports include:

- Schedule of Expenditures of Federal Awards
- Notes to Schedule of Expenditures of Federal Awards
- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
- Independent Auditor's Report on Compliance or Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance
- Schedule of Findings and Questioned Costs

CHAMPLAIN VALLEY SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal AL Number	Pass-through Grantor Number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Agriculture				
Pass-through State of Vermont Agency of Education:				
Child Nutrition Cluster:				
National School Lunch Program	10.555	4448U0562200	\$ 34,111	\$ -
National School Lunch Program - Food Distribution	10.555	4456U0562200	125,182	-
National School Lunch Program	10.555	4461U0562200	2,240,543	-
National School Lunch Program	10.555	4462U0562200	69,230	-
Summer Food Service Program for Children	10.559	4455U0562200	132,868	-
Subtotal Child Nutrition Cluster			<u>2,601,934</u>	<u>-</u>
Child and Adult Care Food Program (CACFP)	10.558	N/A	<u>3,726</u>	<u>-</u>
State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grants	10.649	4601U0562201	<u>614</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>2,606,274</u>	<u>-</u>
U.S. Department of Education				
Pass-through State of Vermont Agency of Education:				
Title I Grants to Local Educational Agencies	84.010A	4250U0562201	<u>706,434</u>	<u>-</u>
Special Education Cluster:				
Special Education-Grants to States (IDEA, Part B)	84.027A	4226U0562101	1,563,589	-
Special Education-Grants to States (IDEA, Part B) ARP	84.027X	4226U0562201	71,624	-
Special Education-Preschool Grants (IDEA Preschool)	84.173A	4228U0562201	22,343	-
Special Education-Preschool Grants (IDEA Preschool) ARP	84.173X	4606U0562201	8,058	-
Subtotal Special Education Cluster			<u>1,665,614</u>	<u>-</u>
English Language Acquisition State Grants	84.365	4375U0562201	<u>25,919</u>	<u>-</u>
Supporting Effective Instruction State Grants	84.367A	4651U0562201	<u>266,472</u>	<u>-</u>
Student Support and Academic Enrichment Program	84.424	4570U0562201	<u>108,063</u>	<u>-</u>
Education Stabilization Fund Under the Coronavirus Aid, Relief and Economic Security Act	84.425D	4597U0562101	539,512	-
Education Stabilization Fund Under the Coronavirus Aid, Relief and Economic Security Act ARP Homeless II	84.425U	4599U0562101	704,112	-
Education Stabilization Fund Under the Coronavirus Aid, Relief and Economic Security Act ARP	84.425U	4604U0562201	16,785	-
			<u>1,260,409</u>	<u>-</u>
Total U.S. Department of Education			<u>4,032,911</u>	<u>-</u>

CHAMPLAIN VALLEY SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal AL Number	Pass-through Grantor Number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Health and Human Services Centers for Disease Control and Prevention				
Pass-through State of Vermont Agency of Health and Human Services: Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	03420- 08002/RPP_CY2021	3,973	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79SP081658-03	16,456	-
			<u>20,429</u>	<u>-</u>
Block Grants for Prevention and Treatment of Substance Abuse	93.959	03420-08805	<u>60,000</u>	<u>-</u>
Pass-through State of Vermont Department of Children and Families: Child Care and Development Block Grant	93.575	ARPA 0870	<u>2,230</u>	<u>-</u>
Passed through Intermediate Agencies: Opioid STR	93.788	03420-8688	<u>2,952</u>	<u>-</u>
Total U.S. Department of Health and Human Services Centers for Disease Control and Prevention			<u>85,611</u>	<u>-</u>
U.S. Department of Homeland Security Pass-through State of Vermont Department of Public Safety: Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	N/A	<u>56,347</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>56,347</u>	<u>-</u>
TOTAL FEDERAL ASSISTANCE			<u>\$ 6,781,143</u>	<u>\$ -</u>

See accompanying independent auditor's report and notes to financial statements.

CHAMPLAIN VALLEY SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Champlain Valley School District under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Champlain Valley School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the Champlain Valley School District.

2. Summary of Significant Accounting Policies

- a. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- b. The U.S. Department of Education (USED) has delegated to the State of Vermont Agency of Education the authority to issue indirect cost rates to all Local Education Agencies (LEAs) based on a plan approved by the USED. Therefore, the Champlain Valley School District does not use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

See accompanying independent auditor's report and notes to financial statements.



Proven Expertise & Integrity

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of School Directors  
Champlain Valley School District  
Shelburne, Vermont

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Champlain Valley School District, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise Champlain Valley School District's basic financial statements and have issued our report thereon dated March 27, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Champlain Valley School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Champlain Valley School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Champlain Valley School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Champlain Valley School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain other matters that we reported to management of the Champlain Valley School District in a separate letter dated February 22, 2023.

#### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the organization's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RHR Smith & Company*

Buxton, Maine  
Vermont Registration No. 092.0000697  
March 27, 2023



*Proven Expertise & Integrity*

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of School Directors  
Champlain Valley School District  
Shelburne, Vermont

Report on Compliance for Each Major Federal Program

We have audited Champlain Valley School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Champlain Valley School District's major federal programs for the year ended June 30, 2022. Champlain Valley School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Champlain Valley School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

*Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibility section of our report.

We are required to be independent of Champlain Valley School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Champlain Valley School District's compliance with the compliance requirements referred to above.

## Management's Responsibility

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Champlain Valley School District's federal programs.

## Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Champlain Valley School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Champlain Valley School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Champlain Valley School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Champlain Valley School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Champlain Valley School District's internal control over compliance. Accordingly, no such opinion is expressed.



We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibility section above and was not designed to identify all deficiencies in internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency or combination of deficiencies, in internal control over compliance requirements of a federal program will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*RHR Smith & Company*

Buxton, Maine  
Vermont Registration No. 092.0000697  
March 27, 2023

CHAMPLAIN VALLEY SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2022

**Section I - Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified?  yes  no
- Noncompliance material to financial statements noted?  yes  no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified?  yes  no

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported  
In accordance with 2 CFR 200.516(a)?  yes  no

Identification of major programs:

<u>AL Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.010A	Title I Grants to Local Educational Agencies
84.425D	Elementary and Secondary School Emergency Relief (ESSER) Fund
84.425U	Elementary and Secondary School Emergency Relief (ARP ESSER) Fund

Dollar threshold used to distinguish between type A and B: \$750,000

Auditee qualified as low-risk auditee?  yes  no

**Section II - Financial Statement Findings**

None

**Section III - Federal Awards Findings and Questioned Costs**

None