

Maple Run Unified School District  
BASIC FINANCIAL STATEMENTS  
June 30, 2023

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**Kittell Branagan & Sargent**

*Certified Public Accountants*

Vermont License #167

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Maple Run Unified School District  
St. Albans, Vermont

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Maple Run Unified School District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Maple Run Unified School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Maple Run Unified School District, as of June 30, 2023, 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 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 Maple Run Unified 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.

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 Maple Run Unified 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 the 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 generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement 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 control 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 Maple Run Unified 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 substantial doubt about the Maple Run Unified 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 and , Budgetary Comparison Schedule – General Fund on page 42, Budgetary Comparison Schedule – Special Revenue Fund on page 44, Schedule of Proportionate Share of the Net Pension Liability – VMERS on page 45, Schedule of Contributions – VMERS on page 46, Schedule of Proportionate Share of the Net Pension Liability – VSTRS on page 47, Schedule of Proportionate Share of the OPEB Pension Liability – VSTRS on page 48 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Maple Run Unified School District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are 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 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 January 10, 2024, on our consideration of Maple Run Unified 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 on the effectiveness of the Maple Run Unified 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 Maple Run Unified School District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Kittell Bramagn". The signature is written in a cursive style with a large initial "K".

St. Albans, Vermont  
January 10, 2024

Maple Run Unified School District  
MANAGEMENT DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2023

Our discussion and analysis of the Maple Run Unified School District's financial performance is intended to provide a narrative introduction and overview of the District's financial activities for the fiscal year ended June 30, 2023. Please use it in conjunction with the District's financial statements.

Brief Explanation of the Basic Financial Statements

This annual report consists of financial presentations on all the various activities of the District. The District-Wide Financial Statements include presentations on the Statement of Net Assets and a Statement of Activities. These statements provide a perspective of the District as whole and present information on a longer-term basis. The District-Wide Financials are followed by Fund Financial Statements for governmental activities, these statements tell how services were financed in the short term as well as what remains for future spending. Fund financial statements report the District's operations in more detail than the District-Wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefits of activities within the District.

Reporting the District-Wide Financials

One of the most important questions asked about the District's finances is, "is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the District and about its activities in a way that helps answer this question. The Statements are prepared like private sector companies including all the assets and liabilities using the accrual basis of accounting. Under this basis of accounting all the current year's revenues and expenses are reported when earned or incurred regardless of when cash is paid or received.

The Statement of Net Assets is used to report all that the entity owns (assets) and owes (liabilities). The difference between assets and liabilities is reported as Net Assets. This classification of Net Assets is broken into three categories, the first being the portion invested in capital assets nets of the related debt to indicate that this amount is not accessible for other purposes. A second portion of Net Assets reflects resources not accessible for general use because their use is subject to restrictions enforceable by third parties. Any remaining Net Assets are classified as unrestricted. The Statement of Activities is used to report all changes in a District's net assets from one year to another. The Statement is presented using a net cost format designed to highlight the portion of each functional activity that must be financed from the District's own resources. The Statement first reports all direct costs associated with each functional activity, then reports dedicated outside resources (program revenues) as a direct reduction to arrive at the programs net cost to the District.

Reporting the District's Most Significant Funds

The fund financial statements provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State Law and by bond covenants. The District's Board of Directors may establish other funds to help them control and manage money for specific purposes, or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. This District uses only one type of fund – Governmental Funds.

Governmental Funds – Most of our operations are reported in the section on Governmental Funds, these funds place their focus on near-term financing needs. The Balance Sheet only reports financial assets associated with governmental activities. Financial Assets include cash as well as other assets that will convert to cash in the course of their ordinary lives. Governmental Funds do not report capital assets; because such assets will be used in operations rather than converted to cash and therefore are not spendable.



Maple Run Unified School District  
MANAGEMENT DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2023

District as Trustee

The District serves as trustee or fiduciary for various Grant Accounts. These activities are reported in separate Statements of Special Revenue Fund. These activities are excluded from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Condensed Financial Information

District – Wide Financials

The following analysis focuses on the Net Position, and the changes in Net Position of the District as a whole. The total Net Position of the District increased \$2,075,346 from a net position in FY22 of \$27,573,425 to a net position in FY23 of \$29,648,771.

The following is a schedule of our District-Wide Net Assets:

	<u>2022</u>	<u>2023</u>
ASSETS AND DEFERRED OUTFLOWS		
Current and Other Assets	\$ 11,197,169	\$ 13,468,306
Capital Assets, net of depreciation	29,410,638	29,226,004
Right to use Asset	188,174	186,321
Deferred Outflows	<u>1,678,287</u>	<u>2,332,630</u>
 TOTAL ASSETS AND DEFERRED OUTFLOWS	 <u>\$ 42,474,268</u>	 <u>\$ 45,213,261</u>
 LIABILITIES AND DEFERRED OUTFLOWS		
Current Liabilities	\$ 3,571,726	\$ 3,527,109
Long Term Liabilities - Net Pension	9,679,597	12,037,381
Deferred Inflows	<u>1,649,520</u>	<u>-</u>
 TOTAL LIABILITIES AND DEFERRED OUTFLOWS	 <u>14,900,843</u>	 <u>15,564,490</u>
 NET POSITION		
Net investment in Capital Assets	21,345,745	21,887,312
Restricted	1,321,387	1,429,776
Unrestricted	<u>4,906,293</u>	<u>6,331,683</u>
 TOTAL NET POSITION	 <u>27,573,425</u>	 <u>29,648,771</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	 <u>\$ 42,474,268</u>	 <u>\$ 45,213,261</u>

Maple Run Unified School District  
MANAGEMENT DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2023

District-Wide Statement of Activities Resources

	<u>2022</u>	<u>2023</u>
Functions/Programs		
Governmental Activities Expenses	\$ 63,979,742	\$ 68,961,664
Charges for Services	(4,925,396)	(4,954,970)
Operating Grants and Revenues	<u>(59,946,277)</u>	<u>(65,262,597)</u>
Net (Expense) Revenue and Changes in Net Assets	<u>891,931</u>	<u>1,255,903</u>
General Revenues		
Net investment activity	(13,888)	4,948
Unrestricted investment earnings	7,447	160,797
Miscellaneous	<u>98,656</u>	<u>653,698</u>
Total General Revenues	<u>92,215</u>	<u>819,443</u>
Change in Net Assets	984,146	2,075,346
Net Position, Beginning	<u>26,589,279</u>	<u>27,573,425</u>
Net Position, Ending	<u>\$ 27,573,425</u>	<u>\$ 29,648,771</u>

Governmental Fund Balances and Transactions

Most decisions involving governmental (assessment supported) activities are made in the context of the annual appropriated operating budget, where the focus is on meeting the near-term financing needs of a government. Governmental funds, with their distinctive emphasis on inflows and outflows of spendable resources provide information useful for making decisions in a budgetary context. The original budgeted amount was not amended during the year.

The Unrestricted Fund Balance – the part of net assets that can be used to finance day-to-day operation without constraints established by debt covenants, enabling legislation or other legal requirements – is \$0 at June 30, 2023. The reason this balance is zero is based on the fact the electorate authorized all fund balances to be applied to a Capital Reserve Fund to be used for capital improvements and board authorized projects.

	<u>General Funds</u>	
	<u>2022</u>	<u>2023</u>
<u>ASSETS</u>		
TOTAL ASSETS	<u>\$ 8,851,802</u>	<u>\$ 11,329,526</u>
<u>LIABILITIES AND FUND BALANCES</u>		
TOTAL LIABILITIES	<u>1,286,453</u>	<u>1,611,991</u>

Maple Run Unified School District  
MANAGEMENT DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2023

	<u>General Funds</u>	
	<u>2022</u>	<u>2023</u>
FUND BALANCES		
Non-spendable (pre-paid)	74,993	73,881
Restricted	131,962	131,962
Committed	7,352,177	9,505,475
Assigned	<u>6,217</u>	<u>6,217</u>
 TOTAL FUND BALANCES	 <u>7,565,349</u>	 <u>9,717,535</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$ 8,851,802</u>	 <u>\$ 11,329,526</u>

FUND FINANCIAL STATEMENTS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE -- GOVERNMENTAL FUNDS

	<u>General Funds</u>	
	<u>2022</u>	<u>2023</u>
REVENUES	\$ 57,322,777	\$ 61,026,819
EXPENDITURES	<u>57,293,008</u>	<u>59,218,185</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	29,769	1,808,634
PROCEEDS FROM BOND ISSUANCE	<u>878,473</u>	<u>343,552</u>
NET CHANGE IN FUND BALANCE	908,242	2,152,186
FUND BALANCE -- June 1st	<u>6,657,107</u>	<u>7,565,349</u>
FUND BALANCE -- June 30th	<u>\$ 7,565,349</u>	<u>\$ 9,717,535</u>

Capital Assets

To be in compliance with the New Governmental Financial Reporting Model (GASB 34) the District is reporting its Capital Assets as part of the Financial Statements. We have researched and documented the estimated historical costs of the various assets owned by the district and applied appropriate charges against the cost to record depreciation. This information is presented below.

Maple Run Unified School District  
MANAGEMENT DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2023

The following is a schedule of our Capital Assets:

<u>Description</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Construction In Progress	\$ 121,829	\$ -	\$ 121,829
Land and Land Improvements	3,716,357	(2,150,962)	1,565,395
Buildings and Improvements	59,360,880	(33,673,397)	25,687,483
Furniture, Computers & Equipment	13,112,480	(11,261,183)	1,851,297
 TOTALS	 <u>\$ 76,311,546</u>	 <u>\$ (47,085,542)</u>	 <u>\$ 29,226,004</u>

Retirement

In compliance with the Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions requires employers participating in a cost-sharing, multiple-employer defined benefit pension plan to recognize their proportional share of total pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. See Note 12, starting on page 21 for detailed information regarding Maple Run Unified School District's proportional share of the overall amounts of the Vermont State Teachers' Retirement System (VSTRS). During the year ended June 30, 2023, the State of Vermont contributed \$5,514,060 on behalf of the Maple Run Unified School District.

In compliance with the Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions requires employers participating in a cost-sharing, multiple-employer defined benefit pension plan to recognize their proportional share of total pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. See Note 13, starting on page 26 for detailed information regarding Maple Run Unified School District's proportional share of the overall amounts of the Vermont Municipal Employee Retirement System (VMERS). All eligible support staff employees of the Maple Run Unified School District are enrolled in Group A or B.

Other Post-Employment Benefits (OPEB): 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 the Vermont State Teachers' Retirement System (VSTRS) or its participating employers. VSTRS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Comprehensive Annual Financial Report (CAFR). The CAFR can be viewed on the State's Department of Finance & Management website at <http://finance.vermont.gov/reports-and-publications/cafr>. See Note 14, starting on page 34 for detailed information. During the year ended June 30, 2023, the State of Vermont contributed \$1,988,107 on behalf of the Maple Run Unified School District.

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all of its citizens, taxpayers, customers, and creditors. Questions concerning any of the information provided in the report or requests for additional information should be sent to Maple Run Unified School District office, 28 Catherine St., St. Albans, VT 05478.

Maple Run Unified School District  
DISTRICT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF NET POSITION  
June 30, 2023

ASSETS AND DEFERRED OUTFLOWS

	<u>Governmental Activities</u>
CURRENT ASSETS	
Cash	\$ 8,013,238
Investments	109,385
Accounts receivable	5,253,215
Prepaid expenses	73,881
Inventory	18,587
TOTAL CURRENT ASSETS	<u>13,468,306</u>
CAPITAL ASSETS, net of depreciation	<u>29,226,004</u>
RIGHT TO USE ASSET, net of amortization	<u>186,321</u>
DEFERRED OUTFLOWS	<u>2,332,630</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 45,213,261</u>

LIABILITIES, DEFERRED INFLOWS AND NET POSITION

CURRENT LIABILITIES	
Accounts payable	\$ 1,479,898
Accrued expenses	359,662
Due to inter district	7,257
Unearned revenue	587,551
Current portion bonds payable	1,015,753
Current portion lease payable	76,988
TOTAL CURRENT LIABILITIES	<u>3,527,109</u>
LONG-TERM LIABILITIES	
Bonds payable	6,322,939
Lease payable	115,404
Net pension liability	5,599,038
TOTAL LONG-TERM LIABILITIES	<u>12,037,381</u>
NET POSITION	
Net investment in capital assets	21,887,312
Restricted	1,429,776
Unrestricted	6,331,683
TOTAL NET POSITION	<u>29,648,771</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 45,213,261</u>

See Accompanying Notes to Basic Financial Statements.

Maple Run Unified School District  
DISTRICT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Charges for Services	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
			Operating Grants and Revenues	Capital Grants and Revenues	
					Governmental Activities
Governmental activities:					
General Instruction	\$ 47,066,728	\$ 2,979,580	\$ 52,447,134	\$ -	\$ 8,359,986
Special Education	13,610,112	-	8,236,200	-	(5,373,912)
Adult Education	267,282	115,664	-	-	(151,618)
Northwest Technical Center					
Vocational	2,891,574	-	3,079,981	-	188,407
Food Service	1,764,945	1,859,726	91,063	-	185,844
Student Support	835,691	-	1,408,219	-	572,528
Interest on long-term debt	230,142	-	-	-	(230,142)
Repairs & Maintenance	141,740	-	-	-	(141,740)
Depreciation - unallocated	2,055,357	-	-	-	(2,055,357)
Amortization - unallocated	98,093	-	-	-	(98,093)
Total governmental activities	<u>\$ 68,961,664</u>	<u>\$ 4,954,970</u>	<u>\$ 65,262,597</u>	<u>\$ -</u>	<u>1,255,903</u>
General revenues:					
Net investment activity					4,948
Unrestricted investment earnings					160,797
Miscellaneous					<u>653,698</u>
					<u>819,443</u>
Change in net position					2,075,346
Net position, beginning					<u>27,573,425</u>
Net position, ending					<u>\$ 29,648,771</u>

See Accompanying Notes to Basic Financial Statements.

Maple Run Unified School District  
FUND FINANCIAL STATEMENTS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
June 30, 2023

ASSETS

	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
ASSETS			
Cash	\$ 7,738,022	\$ 275,216	\$ 8,013,238
Investments	109,385	-	109,385
Accounts receivable	1,035,277	4,217,938	5,253,215
Prepaid expenses	73,881	-	73,881
Inventory	-	18,587	18,587
Due from other funds	<u>2,372,961</u>	<u>1,327,133</u>	<u>3,700,094</u>
 TOTAL ASSETS	 <u>\$ 11,329,526</u>	 <u>\$ 5,838,874</u>	 <u>\$ 17,168,400</u>

LIABILITIES AND FUND BALANCE

LIABILITIES			
Accounts payable	\$ 1,252,421	\$ 227,479	\$ 1,479,900
Accrued expenses	359,570	92	359,662
Unearned revenue	-	587,551	587,551
Due to other funds	<u>-</u>	<u>3,707,351</u>	<u>3,707,351</u>
 TOTAL LIABILITIES	 <u>1,611,991</u>	 <u>4,522,473</u>	 <u>6,134,464</u>
 FUND BALANCES			
Nonspendable	73,881	18,587	92,468
Restricted	131,962	1,297,814	1,429,776
Committed	9,505,475	-	9,505,475
Assigned	<u>6,217</u>	<u>-</u>	<u>6,217</u>
 TOTAL FUND BALANCE	 <u>9,717,535</u>	 <u>1,316,401</u>	 <u>11,033,936</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 11,329,526</u>	 <u>\$ 5,838,874</u>	 <u>\$ 17,168,400</u>

See Accompanying Notes to Basic Financial Statements.

Maple Run Unified School District  
FUND FINANCIAL STATEMENTS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
June 30, 2023

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION

**Total fund balances - governmental funds** **\$ 11,033,936**

Amounts reported for governmental activities in the statement of net assets  
are different because:

Capital assets used in governmental activities are not financial resources  
and therefore are not reported as assets in governmental funds.

Capital Assets	76,311,546
Right to Use Asset	186,321
Accumulated Depreciation	(47,085,542)

Long-term liabilities, including bonds payable, leases payable and net pension liability,  
are not due and payable in the current period and therefore are not reported  
as liabilities in the funds. Long-term liabilities at year-end consist of bonds payable,  
and net pension liability.

Bond Payable	(7,338,692)
Lease Payable	(192,390)
Net Pension Liability	(5,599,038)

Deferred outflows of resources represent the consumption of net assets that  
is applicable to a future reporting period and therefore not reported as  
assets in the funds.

2,332,630

**Net position of governmental activities** **\$ 29,648,771**

See Accompanying Notes to Basic Financial Statements.



Maple Run Unified School District  
FUND FINANCIAL STATEMENTS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2023

	General Fund	Special Revenue	Total
REVENUES			
General Instruction	\$ 50,484,718	\$ -	\$ 50,484,718
Pre-Kindergarten	250,283	-	250,283
PY Adjustment	11,135	-	11,135
Special Education Services	7,079,377	-	7,079,377
Adult Continuing Ed	115,664	-	115,664
Grants	-	11,492,575	11,492,575
Donations	-	200,989	200,989
NWTC	3,085,642	-	3,085,642
	<u>61,026,819</u>	<u>11,693,564</u>	<u>72,720,383</u>
TOTAL REVENUES			
EXPENDITURES			
General Instruction	42,645,268	-	42,645,268
Special Education Services	12,735,879	-	12,735,879
Adult Continuing Ed	267,282	-	267,282
Grants	-	11,583,529	11,583,529
NWTC	3,032,864	-	3,032,864
Capital Expenditures	536,892	-	536,892
	<u>59,218,185</u>	<u>11,583,529</u>	<u>70,801,714</u>
TOTAL EXPENDITURES			
EXCESS OF REVENUES OVER EXPENDITURES	1,808,634	110,035	1,918,669
OTHER FINANCING SOURCES			
Proceeds from bond issuance	343,552	-	343,552
NET CHANGE IN FUND BALANCE	2,152,186	110,035	2,262,221
FUND BALANCE, Beginning	7,565,349	1,206,366	8,771,715
FUND BALANCE, Ending	<u>\$ 9,717,535</u>	<u>\$ 1,316,401</u>	<u>\$ 11,033,936</u>

See Accompanying Notes to Basic Financial Statements.

Maple Run Unified School District  
FUND FINANCIAL STATEMENTS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2023

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT  
OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TO THE STATEMENT OF CHANGES IN NET POSITION

<b>Total net change in fund balances - governmental funds</b>	<b>\$ 2,262,221</b>
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Amounts reported for governmental activities in the statement of changes in net position are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of changes in net position, the cost of those assets is allocated over their estimated useful lives as depreciation expense:

Depreciation Expense	(2,055,357)
Capital Outlays	1,870,722
Amortization Expense	(98,093)
Lease Expense	95,169

Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	1,069,753
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Proceeds of bond issuance is revenue in the governmental funds, but the proceeds increase long-term liabilities in the statement of net position.	(343,552)
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Governmental funds report expenditures when current resources are obligated but the governmental activities report the expenditures when the liability is incurred:

Net Pension Expense	<u>(725,517)</u>
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<b>Change in net position of governmental activities</b>	<b><u>\$ 2,075,346</u></b>
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See Accompanying Notes to Basic Financial Statements

Maple Run Unified School District  
FUND FINANCIAL STATEMENTS  
STATEMENT OF NET POSITION - FIDUCIARY FUNDS  
June 30, 2023

	<u>Private- Purpose Trusts</u>
<u>ASSETS</u>	
Cash	\$ 750,464
Investments	1,339,740
Due from other funds	<u>7,257</u>
 TOTAL ASSETS	 <u><u>\$ 2,097,461</u></u>
 <u>LIABILITIES AND NET POSITION</u>	
NET POSITION	
Restricted	<u><u>\$ 2,097,461</u></u>

See Accompanying Notes to Basic Financial Statements

Maple Run Unified School District  
FUND FINANCIAL STATEMENTS  
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS  
For the Year Ended June 30, 2023

	<u>Private- Purpose Trusts</u>
ADDITIONS	
Investment Earnings (Loss)	\$ 66,770
Other	666
Donations	<u>39,986</u>
TOTAL ADDITIONS	<u>107,422</u>
DEDUCTIONS	
Trustee Fees	123,597
Supplies	<u>1,021</u>
TOTAL DEDUCTIONS	<u>124,618</u>
CHANGE IN NET POSITION	(17,196)
NET POSITION AT BEGINNING OF YEAR	<u>2,114,657</u>
NET POSITION AT END OF YEAR	<u><u>\$ 2,097,461</u></u>

See Accompanying Notes to Basic Financial Statements

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

All operations of the Unified District are controlled by a ten-member Board of Directors who are responsible for all of the Unified District's activities. The financial statements include all of the Unified District's operations controlled by the Board of Directors. Based on criteria for determining the reporting entity (separate legal entity and fiscal or financial dependency on other governments), the Unified District is considered to be an independent reporting entity and has no component units. Members of the Unified District are the Fairfield Town School District, the St. Albans Town School District, the City of St. Albans, Department of Public Schools and the Bellows Free Academy Union School District #48, which includes the Northwest Technical Center.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the Unified District. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expense of a given program is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Unified District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and post-employment healthcare benefits, are recorded only when payment is due.

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Unified District reports the following major governmental funds:

- \* The special revenue fund accounts for various state and federal grants
- \* The general fund is the Unified District's primary operating fund. It accounts for all financial resources of the Unified District, except those required to be accounted for in another fund.

Private-sector standards of accounting, and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

Amounts reported as program revenues include 1) charges to members and grants for material, supplies, or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

When both restricted and unrestricted resources are available for use, it is the Unified District's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgetary Data

Budgets are presented on the modified accrual basis of accounting for the general fund. Budgets are not adopted on a Unified District level for the special revenue fund. All annual appropriations lapse at fiscal yearend with the exception of those indicated as a fund balance reserve. The following procedures are used in establishing the budgetary data reflected in the financial statements.

- \* During December of each year, the Unified District Superintendent submits to the Board a proposed operating budget for the next fiscal year commencing July 1<sup>st</sup>. This budget includes proposed expenditures and the means of financing them. Included also is a final budget for the current year ending June 30<sup>th</sup>.
- \* Copies of the proposed budget are made available for public inspection and review by the Members of the Unified District.
- \* The full Unified District Board adopts the Unified District budget during the budget process.
- \* Once adopted, the budget can be amended by subsequent Board action. The Board upon recommendation of the Superintendent can approve reductions in appropriations, but increases in appropriations by fund require a public hearing prior to amending the budget. In accordance with Vermont State law, interim adjustments may be made by administrative transfer of money from one appropriation to another within any given fund.
- \* Expenditures may not legally exceed budgeted appropriations at the fund level.

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deposits

The Unified District's cash and cash equivalents are considered to be cash on hand and demand deposits.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., current portion of inter-fund loans) or "advances from/to other funds" (i.e., the non-current portion of inter-fund loans).

Capital Assets

Capital assets are property owned by the Unified District and include computers, computer equipment, software, and peripherals and equipment such as machinery, copiers, and office equipment.

General capital assets should be capitalized and recorded when all of the following criteria are met:

- (1) The asset is tangible and complete.
- (2) The asset is used in the operation of the Unified District's activities.
- (3) The asset has a value and useful life at the date of acquisition that meets or exceeds the following:
  - \$5,000 value and a useful life of more than one year

All general capital assets must be recorded at either historical cost or estimated historical cost. Assets acquired through donation will be recorded at their estimated fair market value on the date of donation. In addition to purchase price or construction cost, costs of capitalization may include incidental costs, such as bond interest and issuance cost, insurance during transit, freight, duties, title search, title registration, installation, and breaking-in costs.

The straight line depreciation method will be used with lives as recommended by the Association of School Business Officials (ASBO).

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Inventory

Inventory consists of food and food service supplies, stated at cost.

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government Wide Net Position

Government-wide Net Position is divided into the following components:

Invested in capital assets, net of related debt – consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

Restricted net position – consists of net assets that are restricted by the District's creditors, by enabling legislation, by grantors (both federal and state), and / or by contributors.

Unrestricted – all other net assets reported in this category.

Governmental Fund Balance

In the governmental fund financial statements, fund balances are classified as follows:

Restricted – Amounts that can be spent only for specific purposes because of laws, regulations, or externally imposed conditions by grantors or creditors.

Committed – Amounts that can be used only for specific purposes determined by a formal action by the School Board.

Assigned – Amounts that are designated by management for a particular purpose.

Nonspendable – Amounts that cannot be spent because they are not spendable in form or are legally or contractually required to be maintained intact.

Unassigned – All amounts not included in other classifications.

NOTE 2 CASH

The cash deposits in the Unified District accounts as of June 30, 2023 consisted of the following:

	<u>Book Balance</u>	<u>Bank Balance</u>
Insured	\$ 601,395	\$ 608,560
Collateralized	7,727,063	8,644,909
Uninsured	<u>435,244</u>	<u>435,244</u>
 TOTAL	 <u>\$ 8,763,702</u>	 <u>\$ 9,688,713</u>

The difference between the book balance and the bank balance is due to reconciling items such as deposits in transit and outstanding checks.



Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 3 INVESTMENTS

The Unified District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Unified District has the following recurring fair value measurements as of June 30, 2023:

General Fund:

Mutual Funds of \$109,385 are valued using quoted market prices (Level 1 inputs).

Private-Purpose Trust Funds:

Mutual Funds of \$1,339,740 are valued using quoted market prices (Level 1 inputs).

The Unified District investment policy is to comply with Vermont State law.

NOTE 4 ACCOUNTS RECEIVABLE

General Fund:

State of Vermont	\$ 870,872
Due from Other Districts	152,453
Miscellaneous	<u>11,952</u>
Total General Fund	<u>1,035,277</u>

Special Revenue Fund:

State of Vermont	<u>4,217,938</u>
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Total Accounts Receivable	<u><u>\$ 5,253,215</u></u>
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NOTE 5 INTERFUND RECEIVABLE AND PAYABLE BALANCES

Individual fund interfund receivable and payable balances are as follows at June 30, 2023:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 2,372,961	\$ -
Special Revenue Funds	1,327,133	3,707,351
Fiduciary Fund - Cushing Trust	1,573	-
Fiduciary Fund - Childrens Health Trust	203	-
Fiduciary Fund - ADA Sorensen Trust	<u>5,481</u>	<u>-</u>
	<u><u>\$ 3,707,351</u></u>	<u><u>\$ 3,707,351</u></u>

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 5 INTERFUND RECEIVABLE AND PAYABLE BALANCES (continued)

Maple Run Unified School District generally maintains one cash account in the General Fund to pay expenditures and receive payments for efficiency. All interfund balances resulted from the time lag between the dates that (1) reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) repayments between funds are made.

NOTE 6 CAPITAL AND RIGHT TO USE ASSETS

Capital asset activity for the year ended June 30, 2023 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 135,771	\$ -	\$ -	\$ 135,771
Construction in Progress	5,649,875	632,202	(6,160,248)	121,829
Total capital assets, not being depreciated	5,785,646	632,202	(6,160,248)	257,600
Capital assets, being depreciated				
Land Improvements	3,327,777	252,809	-	3,580,586
Building and Improvements	52,778,034	6,582,846	-	59,360,880
Furniture, Computers and Equipment	12,549,367	563,113	-	13,112,480
Total capital assets, being depreciated	68,655,178	7,398,768	-	76,053,946
Accumulated depreciation for				
Land Improvements	(1,998,573)	(152,389)	-	(2,150,962)
Building and Improvements	(32,060,821)	(1,612,576)	-	(33,673,397)
Furniture, Computers and Equipment	(10,970,791)	(290,392)	-	(11,261,183)
Total accumulated depreciation	(45,030,185)	(2,055,357)	-	(47,085,542)
Total capital assets, being depreciated, net	23,624,993	5,343,411	-	28,968,404
Governmental Activities Capital Assets, net	\$ 29,410,639	\$ 5,975,613	\$ (6,160,248)	\$ 29,226,004

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 6 CAPITAL AND RIGHT TO USE ASSETS (continued)

Right to use asset activity for the year ended June 30, 2023 is as follows:

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Right to use assets, being amortized				
Buildings	\$ 84,357	\$ -	\$ -	\$ 84,357
Equipment	155,125	96,240	-	251,365
Vehicles	<u>22,312</u>	<u>-</u>	<u>-</u>	<u>22,312</u>
Total right to use assets, being amortized	<u>261,794</u>	<u>96,240</u>	<u>-</u>	<u>358,034</u>
Accumulated amortization for				
Buildings	(14,059)	(28,119)	-	(42,178)
Equipment	(48,172)	(59,051)	-	(107,223)
Vehicles	<u>(11,389)</u>	<u>(10,923)</u>	<u>-</u>	<u>(22,312)</u>
Total accumulated amortization	<u>(73,620)</u>	<u>(98,093)</u>	<u>-</u>	<u>(171,713)</u>
Governmental Activities Right to Use Assets, net	<u>\$ 188,174</u>	<u>\$ (1,853)</u>	<u>\$ -</u>	<u>\$ 186,321</u>

NOTE 7 ACCRUED EXPENSES

Accrued expenses at June 30, 2023 consisted of:

General Fund:	
Salaries and Wages	\$ 163,333
Vacation Earned	150,996
Payroll Taxes and Benefits	<u>45,241</u>
Total General Fund	<u>359,570</u>
Special Revenue Fund:	
Payroll Taxes and Benefits	<u>92</u>
Total Accrued Expenses	<u>\$ 359,662</u>

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 8      UNEARNED REVENUE

Unearned revenue consists of the following at June 30, 2023:

Special Revenue Fund:	
Medicaid	\$      243,473
EPSDT	74,129
Food Service	126,381
Various Grants	<u>143,568</u>
 Total Special Revenue Fund	 <u>\$      587,551</u>

NOTE 9      LONG-TERM DEBT

The following is a summary of long-term debt for the year ended June 30, 2023:

<u>Governmental Activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Principal Reduction</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Bond issued May 1, 1998, interest at 1.19% - 4.69% due in varying annual installments. The bond matures December 2023. This bond is serviced by the General Fund.	\$   130,000	\$           -	\$    65,000	\$    65,000	\$    65,000
Bond issued July, 21 2009, interest at 1.391% - 5.401% due in varying annual installments. The bond matures November 15, 2029. This bond is serviced by the General Fund.	1,160,000	-	145,000	1,015,000	145,000
Bond issued July 14, 2011, interest at .804% - 4.244% due in varying annual installments. This bond matures November 15, 2026. This bond is serviced by the General Fund.	250,000	-	50,000	200,000	50,000
Bond issued July 1, 2019, interest at 1.350% - 3.123% due in varying annual installments. This bond matures November 1, 2039. This bond is serviced by the General Fund.	4,806,384	343,552	286,108	4,863,828	286,108

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 9      LONG-TERM DEBT (continued)

<u>Governmental Activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Principal Reduction</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Note issued February 1, 2018, 100 principal only payments at \$4,150/month. Due May 2026. secured by buildings.	195,050	-	49,800	145,250	49,800
Qualified Zone Academy Bond, payable \$65,000 installments each May 15 and November 15 through 2023, interest rate 1.25%	54,000	-	54,000	-	-
Qualified School Construction Bond, payable in varying amounts each May 15 and November 15 through 2025, with interest of \$8,260.	<u>1,469,459</u>	<u>-</u>	<u>419,845</u>	<u>1,049,614</u>	<u>419,845</u>
<b>TOTAL GOVERNMENT TYPE FUNDS</b>	<u>\$ 8,064,893</u>	<u>\$ 343,552</u>	<u>\$ 1,069,753</u>	<u>\$ 7,338,692</u>	<u>\$ 1,015,753</u>

The annual debt service requirements to maturity, including principle and interest, for long-term debt as of June 30, 2023, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,015,753	\$ 195,455	\$ 1,211,208
2025	950,753	181,239	1,131,992
2026	736,682	168,100	904,782
2027	481,108	138,028	619,136
2028	431,108	124,705	555,813
2029-2033	1,720,540	438,276	2,158,816
2034-2038	<u>2,002,748</u>	<u>222,243</u>	<u>2,224,991</u>
	<u>\$ 7,338,692</u>	<u>\$ 1,468,046</u>	<u>\$ 8,806,738</u>

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 10      LEASES

Lease agreements are summarized as follows:

Describe	Date	Payment Terms	Payment Amount	Interest Rate	Total Lease Liability	Ending Balance
66-68 Main Street Building	1/1/2022	3 Years	\$ 2,500	4.50%	\$ 84,357	\$ 43,436
2020 GMC Terrain	8/10/2020	3 Years	479	3.00%	16,521	478
Copier Lease # 1	6/23/2021	5 Years	366	4.50%	19,656	12,319
Copier Lease # 2	6/25/2021	5 Years	463	4.50%	24,819	15,555
Copier Lease # 3	8/9/2021	5 Years	743	4.50%	39,864	26,275
Copier Lease # 4	9/18/2018	5 Years	144	4.50%	7,717	428
Copier Lease # 6	7/21/2018	5 Years	550	4.50%	29,061	548
Copier Lease # 7	9/20/2020	5 Years	439	4.50%	23,539	11,248
Copier Lease # 8	9/29/2020	5 Years	176	4.50%	9,445	4,513
Copier Lease # 9	9/26/2022	4 Years	2,195	4.50%	96,240	77,592
Total Lease Agreements						<u>\$ 192,392</u>

The 66-68 Main Street Building was leased for alternative education. At the time of the initial measurement, there was no interest rate specified in the original lease agreement. The weighted average borrowing rate for similar liabilities was 4.50% which was used to discount the annual lease payments to recognize the intangible right to use this asset and the lease liability as of June 30, 2023.

The vehicles were leased for the driver's education department. Both leases have a term of five years at a fixed interest rate of 3%. The lease is not renewable and the Unified district will not acquire the vehicles at the end of the three years.

The copier leases are used among the schools and the central office. At the time of the initial measurement, there was no interest rate specified in the original lease agreement. The weighted average borrowing rate for similar liabilities was 4.50% which was used to discount the annual lease payments to recognize the intangible right to use this asset and the lease liability as of June 30, 2023.

Annual requirements to amortize long-term obligations and related interest are as follows:

Year Ending June 30,	Principal	Interest
2024	\$ 76,988	\$ 7,053
2025	63,865	3,719
2026	45,696	1,354
2027	5,843	33
	<u>\$ 192,392</u>	<u>\$ 12,159</u>

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 11      NONSPENDABLE/RESTRICTED/COMMITTED/ASSIGNED FUND BALANCE

Nonspendable Fund Balance as June 30, 2023 is as follows:

General Fund:	
Prepaid Expenses	\$ <u>73,881</u>
Special Revenue Fund:	
Food Service Inventory	\$ <u>18,587</u>

Restricted Fund Balance as June 30, 2023 is as follows:

Special Revenue Fund:	
Food Service	\$ 874,186
Student Activities	286,674
Other	<u>136,954</u>
	\$ <u>1,297,814</u>

General Fund:	
Restricted per the Trust Agreement	\$ 113,969
Restricted for Causeway/Auditorium/History Renovation	<u>17,993</u>
	\$ <u>131,962</u>

Fiduciary Fund:	
Restricted per the McArthur Fund	\$ 296,432
Restricted per the Scholarship Fund	991,865
Restricted per the Trustees Fund	113,313
Restricted per the Children's Health Fund	1,573
Restricted per the Cushing Fund	203
Restricted per the Blumenthal Trust Fund	685,244
Restricted per the Lawrence Callahan Trust Fund	3,350
Restricted per the ADA Sorensen Trust Fund	<u>5,481</u>
	\$ <u>2,097,461</u>

Committed Fund Balance as June 30, 2023 is as follows:

General Fund:	
Committed in accordance with the:	
Capital Reserve Fund	\$ 9,468,693
Efficiency	36,398
Tech Access	<u>384</u>
	\$ <u>9,505,475</u>

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 11 NONSPENDABLE/RESTRICTED/COMMITTED/ASSIGNED FUND BALANCE (continued)

Assigned Fund Balance as June 30, 2023 is as follows:

General Fund:  
Open Doors \$ 6,217

When nonspendable, restricted, committed and assigned amounts of fund balance are available for use for expenditures incurred, the Maple Run Unified School District's board of directors determines the amounts to be expended on an annual basis based on the Maple Run Unified School District's required capital needs for the fiscal year.

NOTE 12 TEACHERS RETIREMENT - VSTRS

**Information Required Under GASB Statement No. 68**

Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions requires employers participating in a cost sharing, multiple employer defined benefit pension plan to recognize their proportional share of total pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. The schedules below have been prepared to provide Maple Run Unified School District's proportional share of the overall amounts of the Vermont State Teachers' Retirement System (VSTRS) plan. Maple Run Unified School District's portion has been allocated based on its proportional share of employer contributions to the total contributions to VSTRS during the fiscal year.

**Schedule A – Employers' Allocation as of June 30, 2021**

Fiscal Year Ended June 30, 2021						
2021 Covered Payroll	Employer Proportion	Net Pension Liability	Total Deferred Outflows	Total Deferred Inflows	Net Pension Liability 1% Decrease (6.50% Discount Rate)	Net Pension Liability 1% Increase (8.50% Discount Rate)
\$ 22,840,363	3.14909%	\$ 53,392,552	\$ 7,933,788	\$ 9,013,104	\$ 69,934,084	\$ 39,710,682

**Schedule B – Employers' Allocation as of June 30, 2022**

Fiscal Year Ended June 30, 2022						
2022 Covered Payroll	Employer Proportion	Net Pension Liability	Total Deferred Outflows	Total Deferred Inflows	Net Pension Liability 1% Decrease (6.00% Discount Rate)	Net Pension Liability 1% Increase (8.00% Discount Rate)
\$ 24,641,304	3.26433%	\$ 62,954,618	\$ 11,716,926	\$ 567,680	\$ 80,147,105	\$ 48,670,781



Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 12      TEACHERS RETIREMENT – VSTRS (continued)

**Schedule C – Employers' Allocation of Pension Amounts as of June 30, 2022**

Deferred Outflows of Resources							
Employer Proportion	Net Pension Liability	Difference Between Expected and Actual Experience	Changes in Assumptions	Changes in Benefits	Differences Between Projected and Actual Investment Earnings	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows
3.26433%	\$ 62,954,618	\$ 3,608,631	\$ 2,537,756	\$ -	\$ 3,939,124	\$ 1,631,415	\$ 11,716,926

Deferred Inflows of Resources						
Difference Between Expected and Actual Experience	Changes in Assumptions	Changes in Benefits	Difference Between Projected and Actual Investment Earnings	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows	
\$ -	\$ -	\$ -	\$ -	\$ 567,680	\$ 567,680	

Pension Expense Recognized		
Proportionate Share of Pension Plan Expense	Net Amortization of Deferred Amounts from Change in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total
\$ 7,687,084	\$ (81,905)	\$ 7,605,179

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 12 TEACHERS RETIREMENT – VSTRS (continued)

**Schedule D – Employers’ Allocation of Recognition of Deferred Outflows/Inflows as of June 30, 2022**

Fiscal Year					
2023	2024	2025	2026	2027	Thereafter
\$ 4,347,782	\$ 1,496,398	\$ 1,115,271	\$ 3,576,719	\$ 613,076	\$ -

For entities with a reporting date in 2022, the amounts shown will be recognized in the expense for plan years ending 2023, 2024, 2025, 2026 and 2027.

**Schedule E – Covered Payroll**

FY 2022	FY 2021	FY 2020
\$ 24,641,304	\$ 22,840,363	\$ 22,775,149

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 or its participating employers. VSTRS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Comprehensive Annual Financial Report (CAFR). The CAFR can be viewed on the State's Department of Finance & Management website at:

<https://finance.vermont.gov/reports-and-publications/annual-comprehensive-financial-report>

**Plan Description**

The Vermont State Teachers' Retirement System is a cost-sharing, multiple-employer defined benefit pension plan with a special funding situation. It 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, 2022, the retirement system consisted of 136 participating employees.

The plan was created in 1947, and is governed by Title 16, V.S.A. Chapter 555.

Management of the plan is vested in the VSTRS 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).

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 12      TEACHERS RETIREMENT – VSTRS (continued)

The Pension Plan is divided into the following membership groups:

- Group A - for public school teachers employed within the State of Vermont prior to July 1, 1981, and who elected to remain in Group A
- Group C - for public school teachers employed within the State of Vermont on or after July 1, 1990, or hired before July 1, 1990, and were a member of Group B at that time

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, and are summarized below:

VSTRS	GROUP A	GROUP C - GROUP #1*	Group C - Group #2++
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
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 6/30/90 x AFC + 1.67% x service after 7/1/90 x AFC	1.25% x service prior to 6/30/90 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%, 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
Disability Benefits	Unreduced, accrued benefit with minimum of 25% of AFC	Unreduced, accrued benefit with minimum of 25% of AFC	Unreduced, accrued benefit with minimum of 25% of AFC
Death-in-service Benefit	Disability benefit or early retirement benefit, whichever is greater, with 100% survivorship factor applied plus children's benefits up to maximum of three concurrently	Disability benefit or early retirement benefit, whichever is greater, with 100% survivorship factor applied plus children's benefits up to maximum of three concurrently	Disability benefit or early retirement benefit, whichever is greater, with 100% survivorship factor applied plus children's benefits up to maximum of three concurrently

\* Group #1 are members who were within 5 years of normal retirement (age 62 or 30 years of service) on June 30, 2010

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 12      TEACHERS RETIREMENT – VSTRS (continued)

++ Group #2 are members who were less than 57 years of age or had less than 25 years of service on June 30, 2010

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

**Significant Actuarial Assumptions and Methods**

The total pension liability as of June 30, 2022, was determined by an actuarial valuation as of June 30, 2021, using the following assumptions:

**Investment Rate of Return:** 7.00%

**Salary Increases:** Ranging from 3.30% to 10.50%. Representative values of the assumed annual rates of future salary increases are as follows:

**Mortality:**

*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

*Beneficiary Healthy Post-Retirement:* 109% of the Pub-2010 Contingent Survivor Table with the 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

**Inflation:** 2.30%

**Spouse's Age:** Females three years younger than males.

**Cost-of-Living Adjustments:** 2.4% (4.6% for 2022 and 5.00% for 2023) for Group A members and 1.35% (2.30% for 2022 and 2.50% for 2023) for Group B & C members.

**Actuarial Cost Method:** 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 Actuarial Accrued 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.

**Assets:** The valuation is based on the market value of assets as of the valuation date, as provided by the System. The System uses an "actuarial value of assets" that differs from market value to gradually reflect year-to-year changes in the market value of assets in determining the contribution requirements.

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 12      TEACHERS RETIREMENT – VSTRS (continued)

**Long-term expected rate of return**

The long-term expected rate of return on pension 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) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing 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, 2022, are summarized in the following table:

<b>Asset Class</b>	<b>Target Asset Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Passive Global Equity	24.00%	4.30%
Active Global Equity	5.00%	4.30%
US Equity - Large Cap	4.00%	3.25%
US Equity - Small/Mid Cap	3.00%	3.75%
Non- US Developed Market Equities	7.00%	5.00%
Private Equity	10.00%	6.50%
Emerging Markets Debt	4.00%	3.50%
Private & Alternate Credit	10.00%	4.75%
Non-Core Real Estate	4.00%	6.00%
Core Fixed Income	19.00%	0.00%
Core Real Estate	3.00%	3.50%
US TIPS	3.00%	-0.50%
Infrastructure/Farmland	4.00%	4.25%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00%. In accordance with paragraph 29 of GASB 68, professional judgement was applied to determine that the System's projected fiduciary net position exceeds projected benefit payments for current active and inactive members for all years. The analysis was based on the expectation that employers will contribute at the rates set by the Board, which exceed the actuarially determined contribution, which is compromised on an employer normal cost payment and a payment to reduce the unfunded liability to zero by June 30, 2038. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the net pension liability, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower (6.00%) or one percent higher (8.00%) than the current rate:

1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
\$ 80,147,105	\$ 62,954,618	\$ 48,670,781

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 12 TEACHERS RETIREMENT – VSTRS (continued)

During the year ended June 30, 2023, the State of Vermont contributed \$5,514,060 on behalf of the Maple Run Unified School District.

NOTE 13 RETIREMENT - VMERS

**Information Required Under GASB Statement No. 68**

Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions requires employers participating in a cost-sharing, multiple-employer defined benefit pension plan to recognize their proportional share of total pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. The schedules below have been prepared to provide Maple Run Unified School District's proportional share of the overall amounts of the VMERS plan. Maple Run Unified School District's portion has been allocated based on Maple Run Unified School District's proportional share of employer contributions to the total contributions to VMERS during the fiscal year.

**Schedule A – Employers' Allocation as of June 30, 2021**

Fiscal Year Ended June 30, 2021						
Employer Contributions	Employer Proportion	Net Pension Liability	Total Deferred Outflows	Total Deferred Inflows	Net Pension Liability 1% Decrease (6.00% (Disc Rate))	Net Pension Liability 1% Decrease (8.00% (Disc Rate))
\$ 388,168	1.74588%	\$ 2,569,656	\$ 1,216,523	\$ 1,515,141	\$ 5,079,071	\$ 506,182

**Schedule B – Employers' Allocation as of June 30, 2022**

Fiscal Year Ended June 30, 2022						
Employer Contributions	Employer Proportion	Net Pension Liability	Total Deferred Outflows	Total Deferred Inflows	Net Pension Liability 1% Decrease (6.00% Disc Rate)	Net Pension Liability 1% Decrease (8.00% Disc Rate)
\$ 461,766	1.84560%	\$ 5,599,038	\$ 1,814,585	\$ -	\$ 8,389,913	\$ 3,303,428

**Schedule C – Employers' Allocation of Pension Amounts as of June 30, 2022**

Deferred Outflows of Resources							
Employer Proportion	Net Pension Liability	Difference Between Expected and Actual Experience	Changes in Assumptions	Changes in Benefits	Difference Between Projected and Actual Investment Earnings	Changes in Proportional Share of Contributions and Proportionate Share of Contributions	Total Deferred Outflows
1.84560%	\$ 5,599,038	\$ 420,490	\$ 286,249	\$ -	\$ 909,006	\$ 198,840	\$ 1,814,585

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 13 RETIREMENT – VMERS (continued)

Deferred Inflows of Resources					
Difference Between Expected and Actual Experience	Changes in Assumptions	Changes in Benefits	Difference Between Projected and Actual Investment Earnings	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Pension Expense Recognized		
Proportionate Share of Pension Plan Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total
\$ 1,062,608	\$ 315,337	\$ 1,243,566

**Schedule D – Employers’ Allocation of Recognition of Deferred Outflows/Inflows as of June 30, 2022**

Fiscal Year Ending June 30,					
2023	2024	2025	2026	2027	Thereafter
\$ 571,760	\$ 450,903	\$ 185,073	\$ 606,849	\$ -	\$ -

For entities with a reporting date in 2023, the amounts shown will be recognized in the expense for plan years ending 2024, 2025, 2026 and 2027.

**Schedule E – Contribution History for Fiscal Years 2020-2022**

FY 2022	FY 2021	FY 2020
\$ 461,766	\$ 388,168	\$ 355,318

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 Vermont Municipal Employees’ Retirement System (VMERS) or its participating employers. VMERS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont’s Annual Comprehensive Financial Report (ACFR). The ACFR can be viewed on the State’s Department of Finance & Management website at:

<http://finance.vermont.gov/reports-and-publications/annual-comprehensive-financial-report>

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 13      RETIREMENT – VMERS (continued)

The Vermont Municipal Employees' Retirement System is a cost-sharing, multiple-employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees. It is designed for school districts and other municipal employees that work on a regular basis and also includes employees of museums and libraries if at least half of that institution's operating expenses are met by municipal funds. An employee of any employer that becomes affiliated with the system may join at that time or at any time thereafter. Any employee hired subsequent to the effective participation date of their employer who meets the minimum hourly requirements is required to join the system. During the year ended June 30, 2022, the retirement system consisted of 359 participating employees.

The plan was established effective July 1, 1975, and is governed by Title 24, V.S.A. Chapter 125.

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 Towns 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.

**Summary of System Provisions**

Membership	Full time employees of participating municipalities. Municipality elect's coverage under Groups A, B, C or D provisions.
Creditable service	Service as a member plus purchased service.
Average Final Compensation (AFC)	Group A – average annual compensation during highest 5 consecutive years.  Groups B and C – average annual compensation during highest 3 consecutive years.  Group D – average annual compensation during highest 2 consecutive years.



Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 13      RETIREMENT – VMERS (continued)

Service Retirement Allowance

Eligibility	<p>Group A – The earlier of age 65 with 5 years of service or age 55 with 35 years of service.</p> <p>Group B – The earlier of age 62 with 5 years of service or age 55 with 30 years of service.</p> <p>Groups C and D – Age 55 with 5 years of service.</p>
Amount	<p>Group A – 1.4% of AFC x service</p> <p>Group B – 1.7% of AFC x service as Group B member plus percentage earned as Group A member x AFC</p> <p>Group C – 2.5% of AFC x service as a Group C member plus percentage earned as a Group A or B member x AFC</p> <p>Group D – 2.5% of AFC x service as a Group D member plus percentage earned as a Group A, B or C member x AFC</p> <p>Maximum benefit is 60% of AFC for Groups A and B and 50% of AFC for Groups C and D. The above amounts include the portion of the allowance provided by member contributions.</p>

Early Retirement Allowance

Eligibility	Age 55 with 5 years of service for Groups A and B; age 50 with 20 years of service for Group D.
Amount	Normal retirement allowance based on service and AFC at early retirement, reduced by 6% for each year commencement precedes Normal Retirement Age for Group A and B member; payable without reduction to Group D members.

Vested Retirement Allowance

Eligibility	5 years of service.
Amount	Allowance beginning at normal retirement age based on AFC and service at termination. The AFC is to be adjusted annually by one-half of the percentage change in the Consumer Price Index, subject to the limits on “Post-Retirement Adjustments” described below.

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 13      RETIREMENT – VMERS (continued)

Disability Retirement Allowance

Eligibility	5 years of service and disability as determined by Retirement Board.
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Amount	Immediate allowance based on AFC and service to date of disability; children's benefit of 10% of AFC payable to up to three minor children (or children up to age 23 if enrolled in full-time studies) of a disabled Group D member.
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Death Benefit

Eligibility	Death after 5 years of service.
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Amount	For Groups A, B and C, reduced early retirement allowance under 100% survivor option commencing immediately or, if greater, survivor's benefit under disability annuity computed as a date of death. For Group D, 70% of the unreduced accrued benefit plus children's benefit.
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Optional Benefit and Death  
after Retirement

For Groups A, B and C, lifetime allowance or actuarially equivalent 50% or 100% joint or survivor allowance with refund of contribution guarantee. For Group D, lifetime allowance or 70% contingent annuitant option with no reduction.

Refund of Contribution

Upon termination, if the member so elects or if no other benefit is payable, the member's accumulated contributions are refunded.

Post-Retirement Adjustments

Allowance in payment for at least one year increased on each January 1 by one-half of the percentage increase in consumer price index but not more than 2% for Group A and 3% for Groups B, C and D.

Retirement Stipend

\$25 per month payable at the option of the Board of retirees.

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 13 RETIREMENT – VMERS (continued)

Member Contributions	Group	Effective 7/1/22	For the Fiscal year ended 6/30/22
	Group A	3.50%	3.25%
	Group B	5.875%	5.625%
	Group C	11.00%	10.75%
	Group D	12.35%	12.10%
Employer Contributions	Group	Effective 7/1/22	For the Fiscal year ended 6/30/22
	Group A	5.00%	4.75%
	Group B	6.50%	6.25%
	Group C	8.25%	8.00%
	Group D	10.85%	10.60%

**Significant Actuarial Assumptions and Methods**

**Interest Rate:** 7.00%, net of pension plan investment expenses, including inflation.

**Salary Increases:** 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.

**Mortality:**

*Pre-Retirement:*

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

Group D: PubG-2010 General Employee 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 below-median and 60% of PubG-2010 General Healthy Retiree, with generational projection using scale MP-2019.

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

*Healthy Post-Retirement – Beneficiaries:*

Groups A, B, C – 70% Pub-2010 Contingent Survivor below-median and 30% of Pub-2010 Contingent Survivor, with generational projection using scale MP-2019.

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 13 RETIREMENT – VMERS (continued)

Group D – Pub-2010 Contingent Survivor, with generational projection using scale MP-2019.

*Disabled Post-Retirement:*

All Groups- PubNS-2010 Non-Safety Disabled Retiree Mortality Table with generational projection using scale MP-2019.

**Spouse's Age:** Females three years younger than males.

**Cost-of-Living Adjustments:** 1.10% for Group A members and 1.20% for Groups B, C and D members. The January 1, 2023, COLAs is assumed to be 2% for Group A and 3% for Groups B, C and D. The January 1, 2022, COLAs were 2% for Group A and 2.3% for Groups B, C and D members.

**Actuarial Cost Method:** 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 Actuarial Accrued 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.

**Assets:** The valuation is based on the market value of assets as of valuation date, as provided by the System. The System uses an “actuarial value of assets” that differs from market value to gradually reflect year-to-year changes in the market value of assets in determining the contribution requirements.

**Inflation:** 2.30% per year

**Long-term expected rate of return**

The long-term expected rate of return on pension 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 pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of June 30, 2022, is summarized in the following table:

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 13 RETIREMENT – VMERS (continued)

<b>Asset Class</b>	<b>Target Asset Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Passive Global Equity	24.00%	4.30%
Active Global Equity	5.00%	4.30%
US Equity - Large Cap	4.00%	3.25%
US Equity - Small/Mid Cap	3.00%	3.75%
Non- US Developed US Equi	7.00%	5.00%
Emerging Markets Debt	4.00%	3.50%
Core Fixed Income	19.00%	0.00%
Private & Alternate Credit	10.00%	4.75%
US Tips	3.00%	-0.50%
Core Real Estate	3.00%	3.75%
Non-Core Real Estate	4.00%	6.00%
Private Equity	10.00%	5.50%
Infrastructure/Farmland	4.00%	4.25%

**Discount rate**

The long-term expected rate of return on pension plan assets is 7%. The high quality tax-exempt general obligation municipal bond rate (20-Bond GO Index) as of the closes date prior to the valuation date of June 30, 2022, is 3.54%, as published by The Bond Buyer.

The discount rate used to measure the total pension liability was 7% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed plan member and employer contributions will be made at rates set by the Board (employers) and statute (members). The Board voted to authorize employer contribution rate increases of 0.50% each year for a period of four years beginning July 1, 2022, to be offset by any increases in the employee contribution rates as negotiated with employee groups and approved by Legislature. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries. As well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plans' Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the net pension liability, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower (6.00%) or one percent higher (8.00%):

1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
\$ 8,389,913	\$ 5,599,038	\$ 3,303,428

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

**NOTE 14 OTHER POST EMPLOYMENT BENEFITS (OPEB)**

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 the VSTRS or its participating employers. VSTRS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Comprehensive Annual Financial Report (CAFR). The CAFR can be viewed on the State's Department of Finance & Management website at: <http://finance.vermont.gov/reports-and-publications/cafr>.

**Schedule A – Employers' Allocation**

2021 Employer Proportion	2022 Employer Proportion	Net OPEB Liability	Total Deferred Outflows	Total Deferred Inflows	Net OPEB Liability - 1% Decrease in Discount Rate (6%)	Net OPEB Liability - 1% Increase in Discount Rate (8%)	Net OPEB Liability - 1% Decrease in Healthcare Cost Trend Rates	Net OPEB Liability - 1% Increase in Healthcare Cost Trend Rates
3.00475%	3.06828%	\$ 22,025,717	\$ 3,989,740	\$ 15,911,625	\$ 25,107,104	\$ 19,462,920	\$ 19,154,248	\$ 25,588,696

**Schedule B – Employers Allocation of OPEB Amounts as of June 30, 2022**

Deferred Outflows of Resources						
Employer Proportion	Net OPEB Liability	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Changes in Assumptions	Difference Between Projected and Actual Investment Earnings	Difference Between Expected and Actual Experience	Total Deferred Outflows
3.06828%	\$ 22,025,717	\$ 592,965	\$ 1,839,103	\$ 60,197	\$ 1,497,475	\$ 3,989,740

Deferred Inflows of Resources				
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Changes in Assumptions	Difference Between Projected and Actual Investment Earnings	Difference Between Expected and Actual Experience	Total Deferred Inflows
\$ 279,721	\$ 15,631,904	\$ -	\$ -	\$ 15,911,625

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 14 OTHER POST EMPLOYMENT BENEFITS (OPEB) – (continued)

Pension Expense Recognized		
Proportionate Share of Plan OPEB Expense	Net Amortization of Deferred Amounts from Change in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer OPEB Expense
\$ 1,988,107	\$ 2,323,585	\$ 4,311,692

**Schedule C – Employers’ Allocation of Recognition of Deferred Outflows/Inflows as of June 30, 2022**

Fiscal Year					
2023	2024	2025	2026	2027	Thereafter
\$ (996,231)	\$ (2,272,943)	\$ (2,546,538)	\$ (2,551,215)	\$ (2,679,399)	\$ (875,559)

For entities with a reporting date in 2022, the amounts shown will be recognized in the expense for plan years ending 2023, 2024, 2025, 2026 and 2027 and after.

**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, 2022, the plan consisted of 144 participating employees.

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).

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 14      OTHER POST EMPLOYMENT BENEFITS (OPEB) – (continued)

All assets of the Plan are held in a single trust and are available to pay OPEB benefits to all members.

**Summary of Plan**

**Eligibility:**

VSTRS retirees and their spouses are eligible for health coverage if the retiree is eligible for pension benefits. Pension eligibility requirements are below:

Group A – Public school teachers employed within the State of Vermont prior to July 1, 1981, and elected to remain in Group A

- Retirement: Attainment of 30 years of creditable service, or age 55

Group C – Public school teachers employed within the State of Vermont on or after July 1, 1990. Teachers hired before July 1, 1990 and were Group B members in service on July 1, 1990 are now Group C members. Grandfathered participants are Group C members who were within five years of normal retirement eligibility as defined prior to July 1, 2010.

- Retirement Group C Grandfathered: Attainment of age 62-, or 30-years' creditable service, or age 55 with 5 years of creditable service.
- Retirement Group C Non-grandfathered: Attainment of age 65, or age plus creditable service equal to 90, or age 55 with 5 years of creditable service.

Vesting and Disability: 5 years of creditable service. Participants who terminate with 5 years of service under the age of 55 may elect coverage upon receiving pension benefits.

**Benefit Types:** Medical and prescription drug. Retirees pay the full cost for dental benefits.

**Duration of Coverage:** Lifetime.

**Spousal Benefits:** Same benefits as for retirees.

**Spousal Coverage:** Lifetime.

**Retiree Contributions:**

**Retired before June 30, 2010:**

Retirees with at least 10 years of service pay premium costs in excess of an 80% VSTRS subsidy. Retirees with less than 10 years of service do not receive any premium subsidy. Spouses do not receive any premium subsidy, regardless of the retiree's service.



Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 14 OTHER POST EMPLOYMENT BENEFITS (OPEB) – (continued)

**Retired after June 30, 2010:**

Retirees pay premium costs in excess of the following VSTRS subsidy, based on service:

**Retiree Subsidy Level Subsidy**

Years of Service at June 30, 2010	
10 years or more	80%
Less than 10 years	
Less than 15 years at retirement	0%
15-19.99 years at retirement	60%
20-24.99 years at retirement	70%
25 or more years at retirement	80%

Spouses of retirees can receive an 80% subsidy, if they meet the following requirements:

**Spouse Coverage with 80% Subsidy**

Years of Service at June 30, 2010	Required Years of Service at Retirement
Less than 10 years	25 years of service at retirement
Between 10 and 14.99 years	25 years of service at retirement
Between 15 and 24.99 years	10 additional years from June 30, 2010
Between 25 and 29.99 years	35 years of service at retirement
30 or more years	5 additional years from June 30, 2010

Spouses of retirees who do not meet the above 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.

**Actuarial assumptions**

The Total OPEB Liability used the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

**Discount Rate:** 7.00%

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 14 OTHER POST EMPLOYMENT BENEFITS (OPEB) – (continued)

**Salary Increase Rate:** Varies by age. Representative values of the assumed annual rates of future salary increases as follows:

Age	Annual Rate of Salary Increase (%)
20	10.50%
25	9.50%
30	6.50%
35	5.95%
40	5.30%
45	4.50%
50	4.20%
55	3.80%
60	3.55%
65	3.40%
70	3.30%

**Retiree Contributions:** Retiree contributions were assumed to increase with health trend. Rates were based on premiums effective January 1, 2023. Plan premiums were weighted by actual retiree and dependent enrollment, separately for non-Medicare and Medicare.

**Mortality Rates:**

**Pre-retirement Mortality:** PubT-2010 Teacher Employee Headcount-Weighted Table with generational projection using scale MP-2019

**Post-retirement Mortality:** Retiree: PubT-2010 Teacher Healthy Retiree Headcount-Weighted Table with generational projection using scale MP-2019

Spouses: 109% of the Pub2010 Contingent Survivor Headcount-Weighted Table with generational projection using scale MP-2019

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

**Actuarial Cost Method:** Entry-Age Normal, Level Percentage of Pay

**Asset Valuation Method:** Market Value

**Measurement Date:** June 30, 2022

**Actuarial Valuation Date:** June 30, 2021

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 14 OTHER POST EMPLOYMENT BENEFITS (OPEB) – (continued)

**Per Capita Cost Development:**

*Medical and Prescription Drug*

Per capita claims costs were based on a weighted average of the margin-free pro forma premium rates effective January 1, 2023. Actuarial factors were then applied to the weighted average cost to estimate individual retiree and spouse costs by age and by gender.

**Medicare Medical and Prescription Drug:**

Per capita claims costs were based on a weighted average of the premium rates effective January 1, 2023. Actuarial factors were then applied to the weighted average cost to eliminate individual retiree and spouse costs by age and by gender.

**Administrative Expenses:**

Per capita expenses were based on expenses effective for calendar year 2023.

**Per Capita Health Costs:**

Medical and prescription drug claims for the year beginning July 1, 2022 are shown in the table below for retirees and for spouses at selected ages. These costs are net of deductibles and other benefit plan cost sharing provisions.

		Non-Medicare							
		Retiree		Spouse					
Age		Male	Female	Male	Female				
50	\$	12,150	\$ 13,839	\$ 8,487	\$ 11,112				
55		14,430	14,898	11,356	12,862				
60		17,136	16,058	15,203	14,918				
64		19,660	17,035	19,192	16,790				

  

		Medicare \$300 Comprehensive and JY Plan				Prescription Drugs			
		Retiree		Spouse		Retiree		Spouse	
Age		Male	Female	Male	Female	Male	Female	Male	Female
65	\$	4,092	\$ 3,478	\$ 4,092	\$ 3,478	\$ 1,658	\$ 1,409	\$ 1,658	\$ 1,409
70		4,743	3,748	4,743	3,748	1,922	1,519	1,955	1,519
75		5,111	4,035	5,111	4,035	2,071	1,635	2,071	1,635

**Administrative Expenses:**

For participants under age 65 with health and welfare coverage, an annual administrative expense of \$93 for the year beginning July 1, 2022 was added to projected incurred claim costs in developing the benefit obligations. The annual administrative expenses are projected to increase at 3.0% per year thereafter.

**Health Care Cost Trend Rates:**

Health care trend measures the anticipated overall rate at which health plan costs are expected to increase in future years. The rates shown below are "net" and are applied to the net per capita costs shown above. The trend shown for a particular plan year is the rate that is applied to that year's cost to yield the next year's projected cost.

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 14 OTHER POST EMPLOYMENT BENEFITS (OPEB) – (continued)

Rate %			
Year Ending June 30,	Non-Medicare	Medicare \$300 Comprehensive and JY Plan	Medicare VSTRS 65
2023	7.12	6.50	4.50
2024	6.90	6.33	4.50
2025	6.68	6.16	4.50
2026	6.46	5.99	4.50
2027	6.24	5.82	4.50
2028	6.02	5.65	4.50
2029	5.80	5.48	4.50
2030	5.58	5.31	4.50
2031	5.36	5.14	4.50
2032	5.14	4.97	4.50
2033	4.92	4.80	4.50
2034	4.70	4.63	4.50
2035 & Later	4.50	4.50	4.50

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.

**Retiree Contribution Increase Rate:**

Retiree contributions were assumed to increase with health trend. Retiree contribution rates were based on premiums effective January 1, 2023, trended back to the valuation date.

**Health Care Reform Assumption:**

The valuation does not reflect the potential impact of any future changes due to prior or pending legislation.

During the year ended June 30, 2023 the State of Vermont contributed \$1,988,107 on behalf of Maple Run Unified School District.

NOTE 15 GRANTS

The Unified District receives significant financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the Unified District's independent auditors and other governmental auditors. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable fund. Based on prior experience, the Unified District administration believes such disallowance, if any, would be immaterial.

Maple Run Unified School District  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2023

NOTE 16      NON-CASH TRANSACTIONS

The Unified District received Federal Commodities for use in food service in the amount of \$118,270 the cost of shipping. The value of the commodities received is not included in the food service budget and is not part of food service revenue or expenditures.

NOTE 17      EXPENDITURES OVER BUDGET

The Special Revenue Fund's expenditures exceeded budgeted amounts by \$5,211,512. The excess was offset by revenues that exceeded the budgeted amounts by \$5,321,547.

NOTE 18      CONCENTRATIONS

The majority of revenue at June 30, 2023 was from the State of Vermont.

NOTE 19      SUBSEQUENT EVENTS

In accordance with professional accounting standards, the Unified District has evaluated subsequent events through January 10, 2024, which is the date the financial statement was available to be issued. All events requiring recognition as of June 30, 2023 have been included in the financial statement herein.

## REQUIRED SUPPLEMENTARY INFORMATION

Maple Run Unified School District  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
General Instruction	\$ 50,411,936	\$ 50,411,936	\$ 50,484,718	\$ 72,782
Pre-Kindergarten	250,283	250,283	250,283	-
PY Tuition Adjustment	-	-	11,135	11,135
Special Education Services	7,930,239	7,930,239	7,079,377	(850,862)
Adult Continuing Ed	145,000	145,000	115,664	(29,336)
NWTC	2,938,071	2,938,071	3,085,642	147,571
<b>TOTAL REVENUES</b>	<b>61,675,529</b>	<b>61,675,529</b>	<b>61,026,819</b>	<b>(648,710)</b>
<b>EXPENDITURES:</b>				
General Instruction:				
Pre-Kindergarten	1,740,546	1,366,725	1,259,811	106,914
Direct Instruction	19,355,864	19,540,216	19,141,678	398,538
Support Services - Students	5,345,081	5,178,294	4,801,321	376,973
Support Services - Instruction	2,088,138	2,273,760	2,239,578	34,182
Board of Education	425,880	292,880	233,120	59,760
Direct Treasurer	3,330	3,330	3,230	100
Superintendent's Office	376,201	381,271	389,013	(7,742)
Support Services - School Admin	3,033,736	2,960,257	2,926,134	34,123
Central Services	1,607,808	1,535,554	1,418,963	116,591
Operations and Maintenance	5,529,246	5,523,930	5,876,438	(352,508)
Security Services	239,508	240,338	264,951	(24,613)
Student Transportation	1,666,110	1,648,163	1,644,234	3,929
Debt Service	1,293,113	1,293,113	1,289,425	3,688
Co-Curricular	143,607	141,078	124,386	16,692
After/Summer School	171,910	151,886	138,780	13,106
Athletics	886,357	930,388	894,206	36,182
<b>Total General Instruction</b>	<b>43,906,435</b>	<b>43,461,183</b>	<b>42,645,268</b>	<b>815,915</b>
Special Education:				
Pre-Kindergarten	1,370,204	1,745,535	1,558,764	186,771
Direct Instruction	10,380,003	9,597,855	7,970,060	1,627,795
Support Services - Students	2,377,364	3,169,837	2,863,650	306,187
Administration	64,603	63,186	58,709	4,477
Student Transportation	362,870	417,370	284,696	132,674
<b>Total Special Education</b>	<b>14,555,044</b>	<b>14,993,783</b>	<b>12,735,879</b>	<b>2,257,904</b>

See Accompanying Notes to Basic Financial Statements.

Maple Run Unified School District  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Adult Continuing Education				
Direct Instruction	84,855	84,920	78,129	6,791
Administration	191,024	197,572	189,153	8,419
Total Adult Continuing Education	275,879	282,492	267,282	15,210
Northwest Technical Center:				
Direct Instruction	1,854,707	1,853,838	1,824,677	29,161
Administration	374,918	293,930	283,768	10,162
Support Services	388,881	470,388	445,902	24,486
Operations and Maintenance	275,335	275,335	328,970	(53,635)
Student Transportation	44,330	44,580	149,547	(104,967)
Total Northwest Technical Center	2,938,171	2,938,071	3,032,864	(94,793)
Capital Projects	-	-	536,892	(536,892)
TOTAL EXPENDITURES	61,675,529	61,675,529	59,218,185	2,457,344
EXCESS OF REVENUES OVER EXPENDITURES	-	-	1,808,634	1,808,634
OTHER FINANCING SOURCES				
Proceeds from bond issuance	-	-	343,552	343,552
NET CHANGE IN FUND BALANCE	-	-	2,152,186	2,152,186
FUND BALANCE, beginning of year	6,657,107	6,657,107	7,565,349	908,242
FUND BALANCE, end of year	<u>\$ 6,657,107</u>	<u>\$ 6,657,107</u>	<u>\$ 9,717,535</u>	<u>\$ 3,060,428</u>

See Accompanying Notes to Basic Financial Statements.



Maple Run Unified School District  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND  
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Grants:				
Pre Idea-B and Idea-B	\$ 929,130	\$ 1,101,714	\$ 906,540	\$ (195,174)
Title I & Title II-A (SWP)	1,417,488	4,296,868	3,870,332	(426,536)
Food Service	-	-	1,950,789	1,950,789
Student Activities	-	-	200,989	200,989
Covid Relief Funds	-	-	3,521,567	3,521,567
Other	774,928	973,436	1,243,347	269,911
TOTAL REVENUES	3,121,546	6,372,017	11,693,564	5,321,547
EXPENDITURES:				
Program Service:				
Pre Idea-B and Idea-B	929,130	1,101,714	906,540	195,174
Title I & Title II-A (SWP)	1,417,488	4,296,868	3,870,332	426,536
Food Service	-	-	1,975,741	(1,975,741)
Student Activities	-	-	189,488	(189,488)
Covid Relief Funds	-	-	3,521,567	(3,521,567)
Other	774,928	973,436	1,119,861	(146,425)
Total Program Service	3,121,546	6,372,017	11,583,529	(5,211,512)
NET CHANGE IN FUND BALANCE	-	-	110,035	110,035
FUND BALANCE, beginning of year	1,206,366	1,206,366	1,206,366	-
FUND BALANCE, end of year	\$ 1,206,366	\$ 1,206,366	\$ 1,316,401	\$ 110,035

See Accompanying Notes to Basic Financial Statements.

Maple Run Unified School District  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - VMERS  
For the Year Ended June 30, 2023

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net pension liability (asset)	1.8456%	1.7459%	1.7144%	1.7035%	1.6322%	0.8743%
District's proportionate share of the net pension liability (asset)	<u>\$ 5,599,038</u>	<u>\$ 2,569,656</u>	<u>\$ 4,337,008</u>	<u>\$ 2,955,386</u>	<u>\$ 2,296,061</u>	<u>\$ 1,059,250</u>
District's covered-employee payroll	<u>\$ 7,408,737</u>	<u>\$ 6,494,565</u>	<u>\$ 6,211,623</u>	<u>\$ 5,847,007</u>	<u>\$ 5,106,055</u>	<u>\$ 2,696,512</u>
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	75.57%	39.57%	69.82%	50.55%	44.97%	39.28%
Plan fiduciary net position as a percentage of the total pension liability	73.60%	86.29%	74.52%	80.35%	82.60%	83.64%

*Significant Actuarial Assumptions and methods are described in Note 13 to the financial statements. No changes in actuarial assumptions and methods since the last measurement date.*

Maple Run Unified School District  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS - VMERS  
For the year ended June 30, 2023

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually Required Contributions (Actuarially Determined)	\$ 461,766	\$ 388,168	\$ 355,318	\$ 327,296	\$ 285,885	\$ 142,779
Contributions in Relation to the Actuarially Determined Contributions	<u>461,766</u>	<u>388,168</u>	<u>355,318</u>	<u>327,296</u>	<u>285,885</u>	<u>142,779</u>
Contribution Excess/(Deficiency) Covered Employee Payroll	<u>\$ 7,408,737</u>	<u>\$ 6,494,565</u>	<u>\$ 6,211,623</u>	<u>\$ 5,847,007</u>	<u>\$ 5,106,055</u>	<u>\$ 2,696,512</u>
Contributions as a Percentage of Covered Employee Payroll	6.23%	5.98%	5.72%	5.60%	5.60%	5.29%

*Significant Actuarial Assumptions and methods are described in Note 13 to the financial statements. No changes in actuarial assumptions and methods since the last measurement date.*

Maple Run Unified School District  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - VSTRS  
For the Year Ended June 30, 2023

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net pension liability (asset)	3.2643%	3.1491%	3.1908%	3.2762%	3.2612%	3.2612%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>62,954,618</u>	<u>53,392,552</u>	<u>62,255,735</u>	<u>50,304,918</u>	<u>49,493,698</u>	<u>48,344,503</u>
Total	<u>\$ 62,954,618</u>	<u>\$ 53,392,552</u>	<u>\$ 62,255,735</u>	<u>\$ 50,304,918</u>	<u>\$ 49,493,698</u>	<u>\$ 48,344,503</u>
District's covered-employee payroll	<u>\$ 24,641,304</u>	<u>\$ 22,840,363</u>	<u>\$ 22,775,149</u>	<u>\$ 22,148,944</u>	<u>\$ 22,148,239</u>	<u>\$ 21,550,333</u>
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	54.81%	58.83%	-50.00%	-54.96%	-54.81%	-53.98%

*Significant Actuarial Assumptions and methods are described in Note 12 to the financial statements. No changes in actuarial assumptions and methods since the last measurement date.*

Maple Run Unified School District  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY - VSTRS  
For the Year Ended June 30, 2023

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability (asset)	3.0683%	3.0048%	3.0425%	3.0420%	3.0492%	3.0412%
District's proportionate share of the net OPEB liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability (asset) associated with the District	<u>22,025,717</u>	<u>38,328,250</u>	<u>38,317,325</u>	<u>31,659,428</u>	<u>29,098,520</u>	<u>28,358,143</u>
Total	<u>\$ 22,025,717</u>	<u>\$ 38,317,325</u>	<u>\$ 38,317,325</u>	<u>\$ 31,659,428</u>	<u>\$ 29,098,520</u>	<u>\$ 28,358,143</u>
Plan fiduciary net position as a percentage of the total pension liability	5.34%	1.13%	0.69%	0.03%	-2.77%	-2.94%

*Significant Actuarial Assumptions and methods are described in Note 14 to the financial statements.  
The following were changes in methods or assumptions during the year ended June 30, 2022:*

*Benefit Changes:*  
None

*Changes in Assumptions*  
The discount rate was increased from 2.20% to 7.00%

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

The assumed health trend rates were modified.

The percentage of future retirees at retirement assumed to have an eligible spouse who also opts for health coverage was increased from 40% to 60% for males and 25% to 40% for females.

## OTHER SUPPLEMENTARY INFORMATION

Maple Run Unified School District  
OTHER SUPPLEMENTARY INFORMATION  
COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS  
June 30, 2023

ASSETS

	Pre IDEA-B & IDEA-B	Title I & Title II-A (SWP)	Food Service	COVID Relief Funds	Student Activites	Other	Total
ASSETS							
Cash	\$ -	\$ -	\$ 150	\$ -	\$ 257,834	\$ 17,232	\$ 275,216
Accounts receivable	206,793	643,930	117,901	2,934,841	-	314,473	4,217,938
Due from other funds	-	-	981,450	-	28,840	316,843	1,327,133
Inventory	-	-	18,587	-	-	-	18,587
	<u>-</u>	<u>-</u>	<u>18,587</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,587</u>
TOTAL ASSETS	<u>\$ 206,793</u>	<u>\$ 643,930</u>	<u>\$ 1,118,088</u>	<u>\$ 2,934,841</u>	<u>\$ 286,674</u>	<u>\$ 648,548</u>	<u>\$ 5,838,874</u>

LIABILITIES AND FUND BALANCES

LIABILITIES							
Accounts payable	\$ -	\$ 20,533	\$ 98,934	57,455	\$ -	\$ 50,557	\$ 227,479
Accrued expenses	-	-	-	-	-	92	92
Unearned revenue	225	-	126,381	-	-	460,945	587,551
Due to other funds	206,568	623,397	-	2,877,386	-	-	3,707,351
	<u>206,793</u>	<u>643,930</u>	<u>225,315</u>	<u>2,934,841</u>	<u>-</u>	<u>511,594</u>	<u>4,522,473</u>
TOTAL LIABILITIES	<u>206,793</u>	<u>643,930</u>	<u>225,315</u>	<u>2,934,841</u>	<u>-</u>	<u>511,594</u>	<u>4,522,473</u>
FUND BALANCE							
Nonspendable	-	-	18,587	-	-	-	18,587
Restricted	-	-	874,186	-	286,674	136,954	1,297,814
	<u>-</u>	<u>-</u>	<u>892,773</u>	<u>-</u>	<u>286,674</u>	<u>136,954</u>	<u>1,316,401</u>
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>892,773</u>	<u>-</u>	<u>286,674</u>	<u>136,954</u>	<u>1,316,401</u>
TOTAL LIABILITIES & FUND BALANCE	<u>\$ 206,793</u>	<u>\$ 643,930</u>	<u>\$ 1,118,088</u>	<u>\$ 2,934,841</u>	<u>\$ 286,674</u>	<u>\$ 648,548</u>	<u>\$ 5,838,874</u>

Maple Run Unified School District  
OTHER SUPPLEMENTARY INFORMATION  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUND  
For the Year Ended June 30, 2023

	Pre IDEA-B & IDEA-B	Title I & Title II-A (SWP)	Food Service	COVID Relief Funds	Student Activites	Other	Total
REVENUE							
Grants	\$ 906,540	\$ 3,870,332	\$ 1,950,789	\$ 3,521,567	\$ -	\$ 1,243,347	\$ 11,492,575
Donations	-	-	-	-	200,989	-	200,989
	<u>906,540</u>	<u>3,870,332</u>	<u>1,950,789</u>	<u>3,521,567</u>	<u>200,989</u>	<u>1,243,347</u>	<u>11,693,564</u>
TOTAL REVENUE							
EXPENDITURES							
Program Services	<u>906,540</u>	<u>3,870,332</u>	<u>1,975,741</u>	<u>3,521,567</u>	<u>189,488</u>	<u>1,119,861</u>	<u>11,583,529</u>
NET CHANGE IN FUND BALANCE	-	-	(24,952)	-	11,501	123,486	110,035
FUND BALANCE-Beginning	<u>-</u>	<u>-</u>	<u>917,725</u>	<u>-</u>	<u>275,173</u>	<u>13,468</u>	<u>1,206,366</u>
FUND BALANCE-Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 892,773</u>	<u>\$ -</u>	<u>\$ 286,674</u>	<u>\$ 136,954</u>	<u>\$ 1,316,401</u>



Maple Run Unified School District  
OTHER SUPPLEMENTARY INFORMATION  
COMBINING STATEMENT OF NET POSITION - FIDUCIARY FUNDS  
June 30, 2023

ASSETS

	Private - Purpose Trusts								Total
	McArthur Trust Fund	Scholarship Fund	Trustees Fund	Childrens Health Trust Fund	Cushing Trust Fund	Blumenthal Trust Fund	Lawrence Callahan Trust Fund	ADA Sorensens Closet Trust Fund	
ASSETS									
Cash	\$ 14,037	\$ 39,556	\$ 8,277	\$ -	\$ -	\$ 685,244	\$ 3,350	\$ -	\$ 750,464
Investments	282,395	952,309	105,036	-	-	-	-	-	1,339,740
Due from other funds	-	-	-	1,573	203	-	-	5,481	7,257
<b>TOTAL ASSETS</b>	<u>\$ 296,432</u>	<u>\$ 991,865</u>	<u>\$ 113,313</u>	<u>\$ 1,573</u>	<u>\$ 203</u>	<u>\$ 685,244</u>	<u>\$ 3,350</u>	<u>\$ 5,481</u>	<u>\$ 2,097,461</u>

LIABILITIES AND NET POSITION

NET POSITION									
Restricted	<u>\$ 296,432</u>	<u>\$ 991,865</u>	<u>\$ 113,313</u>	<u>\$ 1,573</u>	<u>\$ 203</u>	<u>\$ 685,244</u>	<u>\$ 3,350</u>	<u>\$ 5,481</u>	<u>\$ 2,097,461</u>

Maple Run Unified School District  
OTHER SUPPLEMENTARY INFORMATION  
COMBINING STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS  
For the Year Ended June 30, 2023

	McArthur Trust Fund	Scholarship Fund	Trustees Fund	Childrens Health Trust Fund	Cushing Trust Fund	Blumenthal Trust Fund	Lawrence Callahan Trust Fund	ADA Sorensens Closet Trust Fund	Total
ADDITIONS									
Investment Earnings (Loss)	\$ 11,632	\$ 26,783	\$ 4,757	\$ -	\$ -	\$ 23,598	\$ -	\$ -	\$ 66,770
Other	-	-	-	-	-	-	-	666	666
Donations	-	39,986	-	-	-	-	-	-	39,986
TOTAL ADDITIONS	11,632	66,769	4,757	-	-	23,598	-	666	107,422
DEDUCTIONS									
Trustee Fees	7,235	104,173	1,055	-	-	11,134	-	-	123,597
Supplies	-	-	-	-	-	-	-	1,021	1,021
TOTAL DEDUCTIONS	7,235	104,173	1,055	-	-	11,134	-	1,021	124,618
CHANGE IN NET POSITION	4,397	(37,404)	3,702	-	-	12,464	-	(355)	(17,196)
NET POSITION AT BEGINNING OF YEAR	292,035	1,029,269	109,611	1,573	203	672,780	3,350	5,836	2,114,657
NET POSITION AT END OF YEAR	\$ 296,432	\$ 991,865	\$ 113,313	\$ 1,573	\$ 203	\$ 685,244	\$ 3,350	\$ 5,481	\$ 2,097,461

Maple Run Unified School District

ADDITIONAL REPORTS REQUIRED BY  
THE SINGLE AUDIT ACT

June 30, 2023

Maple Run Unified School District  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2023

Federal Grantor/ Pass-Through Grantor/ Program Title	Additional Award ID	Federal Assistance Listing Number	Pass-through Grantor Number	Federal Expenditures
<b>Child Nutrition Cluster</b>				
U.S Department of Agriculture				
Passed through State of Vermont Agency of Education				
National School Lunch Program		10.555	4462-U057-23-00	\$ 1,865
Fresh Fruit and Vegetable Program		10.582	4449-U057-23-00	55,043
Total Child Nutrition Cluster				56,908
<b>CCDF Cluster</b>				
Department of Health and Human Services				
Passed through Department of Health and Human Services				
Child Care and Development Block Grant		93.575	ARPA-0889	57,322
Child Care and Development Block Grant		93.575	ARPA-0880	19,930
Child Care and Development Block Grant		93.575	ARPA-0899	45,839
Total Child Care and Development Block Grant				123,091
<b>Special Education Cluster</b>				
U.S. Department of Education				
Passed through State of Vermont Agency of Education				
Special Education Grants to States		84.027	4226-U057-23-01	872,215
Special Education Preschool Grants		84.173	4606-U057-22-01	7,700
Special Education Preschool Grants		84.173	4228-U057-23-01	34,310
Total Special Education (IDEA) Cluster				914,225
<b>Other Programs</b>				
U.S. Department of Education				
Passed through State of Vermont Agency of Education				
Title I Grants to Local Educational Agencies		84.010	4250-U057-23-01	1,389,372
Career and Technical Education		84.048	4318-U057-23-01	232,687
Twenty-First Century Community Learning Centers		84.287	4611-U057-23-02	69,703
Improving Teacher Quality State Grants		84.367	4651-U057-23-01	424,299
Student Support and Academic Enrichment		84.424	4570-U057-22-01	374,671

Maple Run Unified School District  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2023

Federal Grantor/ Pass-Through Grantor/ Program Title	Additional Award ID	Federal Assistance Listing Number	Pass-through Grantor Number	Federal Expenditures
Elementary and Secondary School Emergency Relief (ESSER II)	COVID 19	84.425D	4597-U057-21-01	1,869,499
Elementary and Secondary School Emergency Relief (ESSER III)	COVID 19	84.425D	4559-U057-21-01	1,629,266
Governor's Emergency Education Relief (GEER)	COVID 19	84.425C	4591-U057-21-01	250
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	COVID 19	84.425U	4604-U057-22-02	14,852
Total Department of Education				6,004,599
<u>Department of Health and Human Services</u>				
Passed through State of Vermont Agency of Human Services				
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response		93.354	03420-09597	50,377
TOTAL				\$ 7,149,200

## NOTE A BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal award activity of Maple Run Unified District under programs of the federal government for the year ended June 30, 2023. 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 Maple Run Unified District, it is not intended to and does not present the financial position, changes in net assets of Maple Run Unified District.

## NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Maple Run Unified District has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance because no indirect costs were allowed under the federal awards.



**Kittell Branagan & Sargent**

*Certified Public Accountants*

Vermont License #167

**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**

To the Board of Directors  
Maple Run Unified School District  
St. Albans, 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, each major fund, and the aggregate remaining fund information of the Maple Run Unified School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Maple Run Unified School District's basic financial statements, and have issued our report thereon dated January 10, 2024.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Maple Run Unified 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Maple Run Unified School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Maple Run Unified 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 a 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.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Maple Run Unified School District's financial statements are free from 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*.

### **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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, reading "Kittell Brannagan" followed by a stylized flourish or second name.

St. Albans, Vermont  
January 10, 2024



**Kittell Branagan & Sargent**

*Certified Public Accountants*

Vermont License #167

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

Board of Directors  
Maple Run Unified School District  
St. Albans, Vermont 05478

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Maple Run Unified School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Maple Run Unified School District's major federal programs for the year ended June 30, 2023. Maple Run Unified 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, Maple Run Unified 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, 2023.

***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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Maple Run Unified 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 Maple Run Unified School District's compliance with the compliance requirements referred to above.



### ***Responsibilities of Management for Compliance***

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 Maple Run Unified School District's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

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 the Maple Run Unified 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 generally accepted auditing standards, *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 Maple Run Unified School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Maple Run Unified 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 Maple Run Unified 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 Maple Run Unified 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**

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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement 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 consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

A handwritten signature in black ink that reads "Kaitell Brainerd" followed by a stylized flourish and the word "Sugart".

St. Albans, Vermont  
January 10, 2024

Maple Run Unified School District  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 June 30, 2023

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of the Maple Run Unified School District
2. There were no significant deficiencies disclosed during the audit of the financial statements of Maple Run Unified School District
3. No instances of noncompliance material to the financial statements of the Maple Run Unified School District were disclosed during the audit.
4. There was no significant deficiency disclosed in the independent report on compliance for each major program and on internal control over compliance required by the uniform guidance.
5. The auditor's report on compliance for the major federal award programs for the Maple Run Unified School District expresses a unmodified opinion.
6. There were no audit findings required to be reported in accordance with 2 CFR Section 200.516(a).
7. The programs tested as major programs were:
 

	<u>FALN #'s</u>
Special Education – Grants to States (IDEA, Part B)	84.027
Special Education – Preschool Grants (IDEA Preschool)	84.173
Governor's Emergency Education Relief (GEER)	84.425C
Elementary and Secondary School Emergency Relief (ESSER II)	84.425D
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	84.425U
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. Maple Run Unified School District was determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

There were no findings related to the financial statements audit.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no findings or questioned costs related to the major federal award programs.