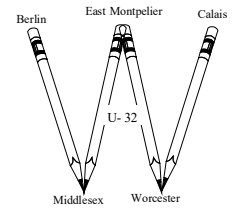


# Washington Central Unified Union School District

*WCUUSD exists to nurture and inspire in all students the passion, creativity and power to contribute to their local and global communities.*

1130 Gallison Hill Road  
Montpelier, VT 05602  
Phone (802) 229-0553  
Fax (802) 229-2761



**Washington Central Unified Union School District  
School Board Meeting  
(Virtual Only)  
Central Office  
1130 Gallison Hill Rd. Montpelier, VT  
12.21.22 6:00-9:00 PM**

**Virtual Meeting Information**

**<https://tinyurl.com/53vyrf6j>**

**Meeting ID: 815 1349 1894**

**Password: 462961**

**Dial by Your Location: 1-929-205-6099**

1. Call to Order
2. Welcome 20 minutes
  - 2.1. Adjustments to the Agenda
  - 2.2. Reception of Guests
  - 2.3. Public Comments-Time limit strictly enforced, see note
3. Presentation and Discussion: *Community Budget Forum Draft # 2* 30 minutes
4. Board Operations (Discussion/Action) 60 minutes
  - 4.1. Review and discuss FY 24 Budget Draft # 2 – pg. 4
  - 4.2. Board Feedback for FY24 Budget Draft #3
  - 4.3. Education Quality Priorities – pg. 18
  - 4.4. Mail in ballots for the WCUUSD Annual Meeting
  - 4.5. Staff Appreciation
5. Reports to the Board 15 minutes
  - 5.1. Student Report
  - 5.2. Superintendent/Central Office Leadership Team (COLT) Report – pg. 20
  - 5.3. Principal Report – pg. 24
  - 5.4. Central Vermont Career Center Report

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|--|------------|
| 6. Finance Committee (Discussion/Action)   | 15 minutes |
| 6.1. Discussion/Action   |            |
| 6.1.1. FY 22 Audit Report – pg. 30   |            |
| 6.1.2. Fund Balance Projections – pg. 144  |            |
| 7. Policy Committee (Discussion/Action)  | 15 minutes |
| 7.1. Second Reading for Policy to be Adopted December 21, 2022: F2 Nondiscriminatory Mascots & School Branding – pg. 147 |            |
| 7.2. First Reading for Policy to be Approved January 4, 2023: C13 Homeless Students – pg. 149                            |            |
| 7.3. First Reading for Policy to be Adopted January 4, 2023: C5 Weapons & Firearms – pg. 152                             |            |
| 7.4. First Reading for Policy to be Adopted January 4, 2023: Building Use – pg. 155                                      |            |
| 7.5. Update: A1: Board Conflict of Interest - pg. 159  |            |
| 8. Consent Agenda (Discussion/Action)  | 5 minutes  |
| 8.1. Approve Minutes of 11.16.22, 12.1.22, 12.7.22 – pg. 161   |            |
| 8.2. Approve Board Orders  |            |
| 9. Personnel   | 10 minutes |
| 9.1. Approve New Teachers, Resignations, Leave of Absence, and Changes in FTE – pg. 173                                  |            |
| 9.2. Update on Vacancies   |            |
| 10. Executive Session for Negotiations   | 20 minutes |
| 11. Future Agenda Items  | 5 minutes  |
| 11.1. Board Goals and Calendar   |            |
| 11.2. Central Vermont Career Center Budgeting  |            |
| 12. Board Reflection   | 5 minutes  |
| 13. Public Comments  | 15 minutes |
| 14. Adjourn  |            |

NOTE: To ensure the board has time to conduct its business, the board will adhere to a strict 1.5 minute public comment time limit per person. Microphones will be muted when time is up. If there is not enough time on the agenda for all members of the public wishing to comment at the beginning of the meeting, there is additional public comment at the end of the meeting.

### WCUUSD Board Norms - Adopted November 18, 2020

- **Public input** – Notify the community about public forums and opportunities for public comment at board meetings.
- **Community involvement during regular meetings of the board** – Every meeting will include at least one opportunity for public comment. Public comment is an opportunity for board members to listen and ask clarifying questions. If a board member feels a concern raised in public comment warrants further board discussion, they may request that the issue be added to a future agenda.
- **Community dialogue** – The board may periodically schedule community forums that allow for dialogue, questions and answers from the board or the district leadership team.
- **Stay on time** – Start and end on time. The chair may appoint a time-keeper.
- **All voices will be heard** – Every board member gets a chance to speak. Some topics warrant having each board member speak in turn to ensure full representation.
- **Reflection** – To allow time for reflection, the chair and agenda steering committee will plan time for complex or contentious issues to be discussed at more than one meeting before the board votes, except where a decision is urgent.
- **Announcements in reports** – Announcements from the administration will appear in the reports and not as discussion items.
- **Role of the board** – At the end of each board meeting reflect on whether the board remained focused on its policy-making and oversight role during the meeting, rather than operational details that are the responsibility of leadership team.
- **Respect each other** – Listen, allow others to be heard, share concerns, assume positive intentions, be present, and celebrate successes.

### AGENDA KEY

Agenda Section	Examples	Role/ Responsibility	Description
Call to Order	n/a	Board Chair or designee	Formal opening to meeting. Superintendent calls to order during annual reorganization
Public Comment			Opportunity for public comment on items not on the agenda. Board will adhere to a strict 1.5 minute public comment time limit per person. Microphones will be muted when time is up. If there is not enough time on the agenda for all members of the public wishing to comment at the beginning of the meeting, there is additional public comment at the end of the meeting.
Executive Session	Personnel Student Matter Negotiations		Only for discussion of items covered in VSA §313. Formal actions not taken in Executive Session
Reports to the Board	Superintendent/ COLT Student Report	Administration	Both regular/recurring reports and one-time reports happen here. One-time reports are determined by the Board workplan or requested by the will of the Board. Generally, reports invite clarifying questions but not formal discussion/action
Committee Reports	Finance Policy Education Quality	Board	Chair of the committee reports on substance of most recent committee meeting. Generally, reports invite clarifying questions; any discussion or action items would be listed in the respective section of the agenda
Discussion Items		Board with input from administration	Items on the agenda specifically for discussion of the Board. Chair can seek input from audience during discussions. Generally not intended for action (although nothing prevents the Board from taking an action)
Action Items	Personnel approvals	Board	Items formally on the agenda for Board action. Discussion can occur after a motion is on the table
Consent Agenda	Board Orders Minutes	Board	Designed for items that need proforma approval and/or are sufficiently routine. Board acts on all items in the Consent agenda and does not discuss any item unless it is pulled out during Agenda Adjustments

## Washington Central Unified Union School District

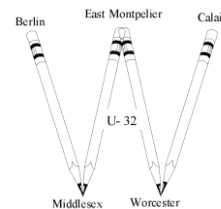
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Meagan Roy Ed.D.  
Superintendent



**TO: WCUUSD Finance Committee & School Board**  
**FROM: Meagan Roy, Superintendent**  
**Susanne Gann, WCUUSD Business Administrator**  
**RE: FY 24 General Fund Budget Draft #2**  
**DATE: December 16, 2022**

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**Review:** On November 16, 2022 the School Board received a level-service budget for FY 2023-24 along with data that compared current District-wide levels to the Education Quality Standard (EQS) requirements for class sizes, administration, nursing, counseling and library/media services.

**Draft #1 Summary** – Draft #1 included anticipated changes in the following areas:

1. Current staffing salaries and benefits plus estimated increases.
2. Benefits for Early Retirement have been removed, as FY 23 was the final year of the plan.
3. Current Special Ed student needs for out of district placements, transportation and other services.
4. Current contracts for auditors and insurance plus estimates for inflation.
5. Transportation based upon last year's award.
6. Debt service payments updated per the debt service schedule.
7. Capital Fund transfer increased based upon an amount identified when developing the multi-year capital improvement plan.
8. Funding includes request to provide current software programs and continued cybersecurity strengthening efforts.
9. Grant funding is no longer available in FY 24 for the 1.0 RISE position (Title IV) at U-32, .5 Instructional Coach at Doty (School Improvement Grant) and the 1.0 District Psychologist (ARP ESSER IDEA Grant).
10. The ARP ESSER grant is fully allocated. Funds are currently obligated for full-time nursing, school counselor staff in all buildings and interventions in FY 23 and budgeted in FY 24. The balance of the funds has been allocated to the Indoor Air Quality project at U-32 to replace 7 ERUs.

The increase in the local education spending for Budget Draft #1 was 9.71% from \$28,821,017 in FY 2022-23 to \$31,619,027 in FY 2023-24.

**School Board Parameters:** The School Board established the following parameters to help guide the second draft of the budget.

1. Continue to offer and further develop the Multi-Layered System of Supports (MLSS) to all students across all schools and provide professional development for teachers.
2. An initiative to achieve significant improvement in math and/or literacy proficiency for students on an Individualized Education Plan (IEP) and/or who qualify for Free and Reduced Lunch. Identify an appropriate scope for the initiative given the current circumstances and consider what resources would be needed for success.
3. Under a penalty threshold based on past statutory requirements, which is currently suspended through FY 29 (\$22,204).
4. Bring proposals that bring Local Education spending increase under 6%
5. Develop contingency plans for expenditure reductions if the tax rate is not favorable
6. Be creative, and identify new ways to structure the system, considering the experience, opportunities and outcomes for students.

**Update:** The Leadership Team has considered these parameters along with priorities identified through the community forum and a staff survey. The Team continued to use Education Quality Standards (EQS), Equitable Distribution of Resources and Student Needs to center the discussions to develop options for budget Draft #2.

**Draft #2 Summary:** Budget Draft #2 adjusts the level service budget to address:

1. Updates to current staff salary and benefits, based upon new hire information.
2. The final horizontal salary signups that were due December 1.
3. Changes in projected student needs for special education services.
4. Updates to the special ed revenues based on Act 173 funding calculations.
5. Adjustments based on: EQS, equity of resources, student need.
6. Tax rate estimates using December 1 letter from the tax commissioner and the current year CLA information.

#### Expenditures

FY 2023 = \$36,169,267

FY 2024 = \$38,249,726

\$ Increase = \$2,080,459

% Difference = 5.75%

#### Revenues

FY 2023 = \$7,348,250

FY 2024 = \$7,241,707

\$ Decrease = \$106,543

% Difference = -1.45%

#### Net Education Spending

FY 2023 = \$28,821,017

FY 2024 = \$31,008,019

\$ Increase = \$2,187,002

% Difference = 7.59%

**Tax Rate Projections:** The December 1 letter from the Tax Commissioner provided a preliminary estimate for the property yield at \$15,479, based upon a 9.70% average expected growth in per pupil spending across the state.

- Initial equalized pupil estimate provided by the AOE is a decrease of 3.01% from 1,423.57 to 1,380.71.
- Common Level of Appraisal for each town is not available until December 31<sup>st</sup>. The CLA used to calculate the estimated tax rates are from the current year and will change in January.
- The Homestead Property yield per \$1.00 tax rate used to calculate the estimated tax rate is \$15,479. This may be adjusted after the legislative session.
- The state Excess Spending Per Equalized Pupil is suspended through FY 2029, but would have been \$22,204 this year.

#### **FY 2023-24 Budget Draft #2 Tax Rate Estimate**

<b>Towns</b>	<b>Common Level of Appraisal</b>	<b>Post Legislative Session Tax Rates FY 22-23</b>	<b>Estimated Tax Rates FY 23-24</b>	<b>Increase (Decrease)</b>
<b>Berlin</b>	94.91%	\$1.614	<b>\$1.529</b>	(\$0.086)
<b>Calais</b>	87.66%	\$1.748	<b>\$1.655</b>	(\$0.093)
<b>East Montpelier</b>	89.97%	\$1.703	<b>\$1.613</b>	(\$0.090)
<b>Middlesex</b>	89.89%	\$1.705	<b>\$1.614</b>	(\$0.090)
<b>Worcester</b>	90.65%	\$1.690	<b>\$1.601</b>	(\$0.090)

#### **Next Steps:**

- The School Board provides guidance on:
  - changes presented in Budget Draft #2.
  - paths to further budget adjustments.
  - possible uses of fund balance to reduce the Net Budget Increase and Net Education Spending.
- Staff will prepare Budget Draft #3:
  - based upon board guidance.
  - revenue and tax updates received from the AOE in December.
- The School Board continues to work to inform and engage the community in the budget process.

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT  
COMPARATIVE SUMMARY  
FY 2022 - 2023 BUDGET vs. FY 2023-2024 BUDGET DRAFT #2

	BUDGET 2022-23	\$ INCREASE (DECREASE)	BUDGET 2023-24	BUDGET % CHANGE
<b><u>SALARIES AND BENEFITS</u></b>				
Salaries		\$ 520,407		1.44%
Benefits		\$ 531,873		1.47%
<b>TOTAL SALARY &amp; BENEFITS</b>	<b>\$ 26,011,265</b>	<b>\$ 1,052,280</b>	<b>\$ 27,063,545</b>	<b>2.91%</b>
<b><u>NONSALARY ITEMS</u></b>				
Professional Ed Services - Regular Ed Services		\$ 64,895		0.18%
Health Supplies		\$ 6,192		0.02%
Equity Scholar in Residence anticipated increase		\$ 2,663		0.01%
Technology - Prof Svcs, Copier Rental, Communications & Software		\$ 135,730		0.38%
Board - Prof Svcs, Legal Svcs, Insurance, Postage & Books/Periodicals		\$ 39,017		0.11%
Fiscal Svcs - Interest Expense		\$ 34,013		0.09%
Operation/Maint of Plant - Repair/Maint, gas, supplies, electricity		\$ 78,726		0.22%
Transportation		\$ 45,306		0.13%
Debt Service		\$ (21,234)		-0.06%
Fund Transfer - Capital		\$ 21,234		0.06%
Fund Transfer - Food Service		\$ (149,115)		-0.41%
Fund Transfer - Community Connections		\$ 10,000		0.03%
Special Education		\$ 760,752		2.10%
<b>TOTAL NONSALARY ITEMS</b>	<b>\$ 10,158,002</b>	<b>\$ 1,028,179</b>	<b>\$ 11,186,181</b>	<b>2.84%</b>
<b>TOTAL EXPENSE INCREASES / (DECREASES)</b>	<b>\$ 36,169,267</b>	<b>\$ 2,080,459</b>	<b>\$ 38,249,726</b>	<b>5.75%</b>
<b><u>REVENUE CHANGES</u></b>				
Tuition		\$ 56,131		0.16%
Investment Earnings Interest		\$ (10,509)		-0.03%
Miscellaneous Income		\$ 1,836		0.01%
Misc. State Reimbursements		\$ 32,529		0.09%
Special Ed Revenues		\$ 138,938		0.38%
Fund Balance Transfer		\$ (325,468)		-0.90%
<b>TOTAL REVENUE INCREASES / (DECREASES)</b>	<b>\$ 7,348,250</b>	<b>\$ (106,543)</b>	<b>\$ 7,241,707</b>	<b>-1.45%</b>
<b>LOCAL EDUCATION SPENDING INCREASE (DECREASE)</b>	<b>\$ 28,821,017</b>	<b>\$ 2,187,002</b>	<b>\$ 31,008,019</b>	<b>7.59%</b>

**WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT**  
**FY 2022-2023 BUDGET vs. FY 2023-2024 BUDGET DRAFT #2**

<b>DESCRIPTION</b>	<b>ACTUAL 2021</b>	<b>ACTUAL 2022</b>	<b>BUDGET 2023</b>	<b>BUDGET 2024</b>	<b>\$ Increase (Decrease)</b>	<b>% Increase (Decrease)</b>
<b>REVENUES</b>						
TUITION-SCHOOL DISTRICTS & INDIVIDUALS	\$ 999,433	\$ 1,001,446	\$ 976,224	\$ 1,032,355	\$ 56,131	
INVESTMENT EARNINGS INTEREST	\$ 267,254	\$ 224,206	\$ 229,238	\$ 218,729	\$ (10,509)	
MISCELLANEOUS INCOME-OTHER	\$ 382,134	\$ 366,371	\$ 263,440	\$ 265,276	\$ 1,836	
EDUC. SPENDING REVENUES	\$ 27,301,739	\$ 27,792,291	\$ 28,821,017	\$ 31,008,019	\$ 2,187,002	
MISC STATE REIMBURSEMENTS-INCL. CRF- COVID-19	\$ 3,783,769	\$ 777,748	\$ 843,273	\$ 875,802	\$ 32,529	
SPED EXPENDITURE REIMBURSEMENT	\$ 4,238,853	\$ 4,109,047	\$ 4,710,607	\$ 4,849,546	\$ 138,938	
<b>SUBTOTAL REVENUES</b>	<b>\$ 36,973,182</b>	<b>\$ 34,271,109</b>	<b>\$ 35,843,799</b>	<b>\$ 38,249,726</b>	<b>\$ 2,405,927</b>	
FUND BALANCE	\$ -	\$ -	\$ 325,468	\$ -	\$ (325,468)	
<b>TOTAL REVENUES</b>	<b>\$ 36,973,182</b>	<b>\$ 34,271,109</b>	<b>\$ 36,169,267</b>	<b>\$ 38,249,726</b>	<b>\$ 2,080,459</b>	<b>5.75%</b>

**EXPENSES**

**INSTRUCTIONAL SERVICES**

SALARIES	\$ 7,255,878	\$ 7,986,320	\$ 8,692,573	\$ 8,855,467	\$ 162,894	
MISCELLANEOUS BENEFITS	\$ 2,103,510	\$ 2,227,080	\$ 2,499,219	\$ 2,744,302	\$ 245,083	
TUITION REIMBURSEMENT	\$ 150,674	\$ 184,272	\$ 193,962	\$ 117,363	\$ (76,599)	
PROFESSIONAL EDUCATION SVC	\$ 12,510	\$ 84,424	\$ 62,795	\$ 127,690	\$ 64,895	
TUITION TO OTHER SCHOOL DISTRICTS	\$ 498,773	\$ 490,159	\$ 544,410	\$ 544,410	\$ -	
TRAVEL	\$ 744	\$ 5,345	\$ 14,100	\$ 14,100	\$ -	
GENERAL SUPPLIES	\$ 214,030	\$ 227,276	\$ 240,913	\$ 246,814	\$ 5,901	
BOOKS AND PERIODICALS	\$ 41,930	\$ 42,637	\$ 64,484	\$ 64,484	\$ -	
EQUIPMENT	\$ 15,229	\$ 9,885	\$ 41,901	\$ 36,000	\$ (5,901)	
DUES AND FEES	\$ 1,308	\$ 567	\$ 1,200	\$ 1,200	\$ -	
<b>TOTAL INSTRUCTIONAL SERVICES</b>	<b>\$ 10,294,586</b>	<b>\$ 11,257,965</b>	<b>\$ 12,355,557</b>	<b>\$ 12,751,830</b>	<b>\$ 396,273</b>	<b>3.21%</b>

**PRESCHOOL PROGRAM**

SALARIES	\$ 359,699	\$ 373,865	\$ 380,825	\$ 383,291	\$ 2,466	
MISCELLANEOUS BENEFITS	\$ 123,720	\$ 137,477	\$ 158,142	\$ 179,682	\$ 21,540	
TUITION REIMBURSEMENT	\$ 630	\$ 785	\$ -	\$ 15,215	\$ 15,215	
PROFESSIONAL EDUCATION SVC	\$ 46,885	\$ 11,710	\$ 13,000	\$ 13,000	\$ -	
TUITION TO PRIVATE SCHOOLS	\$ 165,688	\$ 139,723	\$ 148,512	\$ 148,512	\$ -	
GENERAL SUPPLIES	\$ 5,052	\$ 2,517	\$ 7,715	\$ 6,315	\$ (1,400)	
BOOKS AND PERIODICALS	\$ -	\$ 1,194	\$ -	\$ 1,400	\$ 1,400	
<b>TOTAL PRESCHOOL PROGRAM</b>	<b>\$ 701,674</b>	<b>\$ 667,271</b>	<b>\$ 708,194</b>	<b>\$ 747,415</b>	<b>\$ 39,221</b>	<b>5.54%</b>

**GUIDANCE SERVICES**



**WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT**  
**FY 2022-2023 BUDGET vs. FY 2023-2024 BUDGET DRAFT #2**

<b>DESCRIPTION</b>	<b>ACTUAL 2021</b>	<b>ACTUAL 2022</b>	<b>BUDGET 2023</b>	<b>BUDGET 2024</b>	<b>\$ Increase (Decrease)</b>	<b>% Increase (Decrease)</b>
<b>SALARIES</b>	\$ 737,502	\$ 716,463	\$ 727,681	\$ 751,473	\$ 23,792	
<b>MISCELLANEOUS BENEFITS</b>	\$ 254,830	\$ 220,268	\$ 225,996	\$ 260,652	\$ 34,656	
<b>TUITION REIMBURSEMENT</b>	\$ -	\$ -	\$ -	\$ 4,068	\$ 4,068	
<b>PROFESSIONAL EDUCATION SVC</b>	\$ 2,385	\$ 3,635	\$ 7,700	\$ 7,700	\$ -	
<b>TRAVEL</b>	\$ -	\$ 595	\$ 1,125	\$ 1,125	\$ -	
<b>GENERAL SUPPLIES</b>	\$ 29,264	\$ 23,016	\$ 24,850	\$ 24,850	\$ -	
<b>BOOKS AND PERIODICALS</b>	\$ 331	\$ 4,956	\$ 1,010	\$ 1,010	\$ -	
<b>TOTAL GUIDANCE SERVICES</b>	<b>\$ 1,024,312</b>	<b>\$ 968,933</b>	<b>\$ 988,362</b>	<b>\$ 1,050,878</b>	<b>\$ 62,516</b>	<b>6.33%</b>
<b>HEALTH SERVICES</b>						
<b>SALARIES</b>	\$ 331,121	\$ 346,971	\$ 353,271	\$ 354,599	\$ 1,328	
<b>MISCELLANEOUS BENEFITS</b>	\$ 143,631	\$ 147,886	\$ 168,388	\$ 194,258	\$ 25,870	
<b>TUITION REIMBURSEMENT</b>	\$ 2,978	\$ 3,840	\$ -	\$ 4,068	\$ 4,068	
<b>TECHNICAL SERVICES</b>	\$ -	\$ -	\$ 550	\$ 550	\$ -	
<b>GENERAL SUPPLIES</b>	\$ 5,478	\$ 11,115	\$ 7,135	\$ 13,327	\$ 6,192	
<b>BOOKS AND PERIODICALS</b>	\$ 1,567	\$ 948	\$ 845	\$ 845	\$ -	
<b>TOTAL HEALTH SERVICES</b>	<b>\$ 484,775</b>	<b>\$ 510,760</b>	<b>\$ 530,189</b>	<b>\$ 567,647</b>	<b>\$ 37,458</b>	<b>7.07%</b>
<b>LIBRARY SERVICES</b>						
<b>SALARIES</b>	\$ 348,627	\$ 339,097	\$ 344,149	\$ 324,567	\$ (19,582)	
<b>MISCELLANEOUS BENEFITS</b>	\$ 118,161	\$ 97,215	\$ 94,334	\$ 94,007	\$ (327)	
<b>TUITION REIMBURSEMENT</b>	\$ 5,956	\$ 4,170	\$ 1,300	\$ 4,757	\$ 3,457	
<b>GENERAL SUPPLIES</b>	\$ 18,949	\$ 15,691	\$ 15,895	\$ 15,895	\$ -	
<b>BOOKS AND PERIODICALS</b>	\$ 41,551	\$ 45,281	\$ 52,108	\$ 52,108	\$ -	
<b>TOTAL LIBRARY SERVICES</b>	<b>\$ 533,244</b>	<b>\$ 501,454</b>	<b>\$ 507,786</b>	<b>\$ 491,334</b>	<b>\$ (16,452)</b>	<b>-3.24%</b>
<b>CURRICULUM SERVICES</b>						
<b>SALARIES</b>	\$ 222,831	\$ 187,726	\$ 307,991	\$ 210,586	\$ (97,405)	
<b>MISCELLANEOUS BENEFITS</b>	\$ 19,314	\$ 34,669	\$ 47,291	\$ 16,886	\$ (30,405)	
<b>TUITION REIMBURSEMENT</b>	\$ 7,137	\$ 815	\$ 13,000	\$ 4,882	\$ (8,118)	
<b>PURCHASED PROF &amp; TECHNICAL SERVICES</b>	\$ 38	\$ 150	\$ 88,750	\$ -	\$ (88,750)	
<b>TRAVEL</b>	\$ 379	\$ 355	\$ 2,000	\$ 2,000	\$ -	
<b>GENERAL SUPPLIES</b>	\$ 10,863	\$ 46	\$ 5,000	\$ 5,000	\$ -	
<b>BOOKS AND PERIODICALS</b>	\$ 1,018	\$ 788	\$ 1,200	\$ 1,200	\$ -	
<b>DUES AND FEES</b>	\$ 168	\$ 1,247	\$ 1,000	\$ 1,000	\$ -	
<b>TOTAL CURRICULUM SERVICES</b>	<b>\$ 261,748</b>	<b>\$ 225,795</b>	<b>\$ 466,232</b>	<b>\$ 241,554</b>	<b>\$ (224,678)</b>	<b>-48.19%</b>

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT  
FY 2022-2023 BUDGET vs. FY 2023-2024 BUDGET DRAFT #2

<u>DESCRIPTION</u>	ACTUAL 2021	ACTUAL 2022	BUDGET 2023	BUDGET 2024	\$ Increase (Decrease)	% Increase (Decrease)
<b>INSTRUCTIONAL STAFF TRAINING</b>						
EMPLOYEE TRAINING/DEVELOPMENT	\$ -	\$ 79,184	\$ -	\$ 91,413	\$ 91,413	
<b>TOTAL INSTR REL-TECHNOLOGY SVCS</b>	<b>\$ -</b>	<b>\$ 79,184</b>	<b>\$ -</b>	<b>\$ 91,413</b>	<b>\$ 91,413</b>	
<b>INSTRUCTIONAL -RELATED TECHNOLOGY SVCS</b>						
SALARIES	\$ 445,098	\$ 528,850	\$ 547,476	\$ 575,446	\$ 27,970	
MISCELLANEOUS BENEFITS	\$ 79,565	\$ 97,491	\$ 101,096	\$ 99,059	\$ (2,037)	
TUITION REIMBURSEMENT	\$ -	\$ 1,044	\$ 12,000	\$ 20,221	\$ 8,221	
PROFESSIONAL SERVICES	\$ 95,058	\$ 186,421	\$ 10,000	\$ 76,000	\$ 66,000	
RENTALS AND LEASES-COPIER	\$ 17,599	\$ 50,619	\$ 68,524	\$ 65,184	\$ (3,340)	
COMMUNICATIONS	\$ 128,768	\$ 92,543	\$ 131,500	\$ 140,570	\$ 9,070	
SUPPLIES-TECHN RELATED	\$ 23,200	\$ 20,847	\$ 10,000	\$ 10,000	\$ -	
SUPPLIES-TECHN RELATED-SOFTWARE	\$ 104,975	\$ 411,515	\$ 400,000	\$ 454,000	\$ 54,000	
EQUIPMENT/FINANCIAL SOFTWARE	\$ 486,016	\$ 188,186	\$ 320,000	\$ 330,000	\$ 10,000	
<b>TOTAL INSTR REL-TECHNOLOGY SVCS</b>	<b>\$ 1,380,279</b>	<b>\$ 1,577,515</b>	<b>\$ 1,600,596</b>	<b>\$ 1,770,480</b>	<b>\$ 169,884</b>	<b>10.61%</b>
<b>BOARD OF EDUCATION SVCS.</b>						
SALARIES	\$ 25,185	\$ 22,782	\$ 30,201	\$ 29,180	\$ (1,021)	
MISCELLANEOUS BENEFITS	\$ 4,083	\$ 1,830	\$ 2,795	\$ 2,792	\$ (3)	
PURCHASED PROF & TECHNICAL SERVICES	\$ 7,558	\$ 15,750	\$ -	\$ 18,371	\$ 18,371	
LEGAL SERVICES	\$ 74,683	\$ 50,110	\$ 58,749	\$ 58,449	\$ (300)	
INSURANCE	\$ 100,795	\$ 129,308	\$ 106,933	\$ 124,027	\$ 17,094	
POSTAGE	\$ -	\$ 1,885	\$ -	\$ 2,199	\$ 2,199	
ADVERTISING	\$ 10,550	\$ 2,710	\$ 7,500	\$ 7,500	\$ -	
GENERAL SUPPLIES	\$ 18,956	\$ 17,578	\$ 19,000	\$ 19,000	\$ -	
BOOKS AND PERIODICALS	\$ -	\$ -	\$ -	\$ 1,654	\$ 1,654	
EQUIPMENT	\$ -	\$ 5,700	\$ -	\$ -	\$ -	
DUES AND FEES	\$ 10,452	\$ 7,858	\$ 11,000	\$ 11,000	\$ -	
<b>TOTAL BOARD OF EDUCATION SVCS.</b>	<b>\$ 252,262</b>	<b>\$ 255,511</b>	<b>\$ 236,178</b>	<b>\$ 274,172</b>	<b>\$ 37,993</b>	<b>16.09%</b>
<b>SUPERINTENDENT SERVICES</b>						
SALARIES	\$ 286,918	\$ 468,545	\$ 344,281	\$ 362,335	\$ 18,054	
MISCELLANEOUS BENEFITS	\$ 111,952	\$ 140,119	\$ 128,169	\$ 140,103	\$ 11,934	
TUITION REIMBURSEMENT	\$ 34,100	\$ 8,745	\$ 11,000	\$ 7,322	\$ (3,678)	
PURCHASED PROF & TECHNICAL SERVICES	\$ 55,719	\$ 11,790	\$ 21,200	\$ 21,200	\$ -	
COMMUNICATIONS-POSTAGE	\$ 1,688	\$ 6,141	\$ 5,500	\$ 5,500	\$ -	
PRINTING AND BINDING	\$ 189	\$ -	\$ 1,500	\$ 1,500	\$ -	

**WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT**  
**FY 2022-2023 BUDGET vs. FY 2023-2024 BUDGET DRAFT #2**

<b>DESCRIPTION</b>	<b>ACTUAL 2021</b>	<b>ACTUAL 2022</b>	<b>BUDGET 2023</b>	<b>BUDGET 2024</b>	<b>\$ Increase (Decrease)</b>	<b>% Increase (Decrease)</b>
TRAVEL	\$ 4,415	\$ 868	\$ 7,000	\$ 7,000	\$ -	
GENERAL SUPPLIES	\$ 10,937	\$ 16,894	\$ 15,000	\$ 15,000	\$ -	
BOOKS AND PERIODICALS	\$ 468	\$ 400	\$ 750	\$ 750	\$ -	
DUES AND FEES	\$ 7,680	\$ 7,180	\$ 7,000	\$ 7,000	\$ -	
<b>TOTAL SUPERINTENDENT SERVICES</b>	<b>\$ 514,066</b>	<b>\$ 660,683</b>	<b>\$ 541,400</b>	<b>\$ 567,710</b>	<b>\$ 26,310</b>	<b>4.86%</b>
<b>OFFICE OF THE PRINCIPAL</b>						
SALARIES	\$ 1,384,657	\$ 1,475,504	\$ 1,502,528	\$ 1,595,520	\$ 92,992	
MISCELLANEOUS BENEFITS	\$ 502,793	\$ 502,551	\$ 549,379	\$ 522,144	\$ (27,235)	
TUITION REIMBURSEMENT	\$ 7,417	\$ 14,669	\$ 22,000	\$ 42,714	\$ 20,714	
PURCHASED PROF & TECHNICAL SERVICES	\$ 6,592	\$ 12,267	\$ 11,800	\$ 11,800	\$ -	
COMMUNICATIONS-POSTAGE	\$ 9,079	\$ 13,675	\$ 17,460	\$ 17,460	\$ -	
TRAVEL	\$ 3,579	\$ 1,924	\$ 4,800	\$ 4,800	\$ -	
GENERAL SUPPLIES	\$ 42,091	\$ 46,246	\$ 43,410	\$ 43,410	\$ -	
DUES AND FEES	\$ 10,055	\$ 10,524	\$ 8,150	\$ 8,150	\$ -	
<b>TOTAL OFFICE OF THE PRINCIPAL</b>	<b>\$ 1,966,263</b>	<b>\$ 2,077,361</b>	<b>\$ 2,159,527</b>	<b>\$ 2,245,998</b>	<b>\$ 86,471</b>	<b>4.00%</b>
<b>FISCAL SERVICES</b>						
SALARIES	\$ 354,107	\$ 407,683	\$ 375,495	\$ 362,853	\$ (12,642)	
MISCELLANEOUS BENEFITS	\$ 133,826	\$ 127,025	\$ 150,193	\$ 139,341	\$ (10,852)	
TUITION REIMBURSEMENT	\$ 375	\$ 5,011	\$ 12,000	\$ 15,255	\$ 3,255	
PURCHASED PROF & TECHNICAL SERVICES	\$ 83	\$ (16,409)	\$ 11,500	\$ 11,500	\$ -	
AUDITING SERVICES	\$ 39,685	\$ 30,406	\$ 42,102	\$ 42,102	\$ 0	
TRAVEL	\$ 1,753	\$ 1,535	\$ 2,500	\$ 2,500	\$ -	
GENERAL SUPPLIES	\$ 1,546	\$ 3,561	\$ 3,000	\$ 3,000	\$ -	
DUES AND FEES	\$ 458	\$ 1,012	\$ 500	\$ 500	\$ -	
INTEREST ON SHORT-TERM DEBT	\$ 208,284	\$ 207,837	\$ 208,408	\$ 242,421	\$ 34,013	
<b>TOTAL FISCAL SERVICES</b>	<b>\$ 740,117</b>	<b>\$ 767,661</b>	<b>\$ 805,698</b>	<b>\$ 819,472</b>	<b>\$ 13,774</b>	<b>1.71%</b>
<b>OPERATION AND MAINT.PLANT</b>						
SALARIES	\$ 1,091,168	\$ 1,287,061	\$ 1,415,324	\$ 1,444,766	\$ 29,442	
MISCELLANEOUS BENEFITS	\$ 380,469	\$ 444,320	\$ 513,003	\$ 602,498	\$ 89,495	
UTILITY SERVICES	\$ 39,300	\$ 24,261	\$ 44,950	\$ 44,950	\$ -	
CLEANING SERVICES	\$ 52,225	\$ 73,677	\$ 77,580	\$ 77,580	\$ -	
REPAIR AND MAINTENANCE SERVICES &PROP	\$ 241,320	\$ 348,413	\$ 289,005	\$ 290,856	\$ 1,851	
TRAVEL/GAS &BOTTLED GAS	\$ 5,922	\$ 8,733	\$ 8,804	\$ 10,924	\$ 2,120	
GENERAL SUPPLIES	\$ 142,717	\$ 157,373	\$ 145,794	\$ 142,794	\$ (3,000)	

**WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT**  
**FY 2022-2023 BUDGET vs. FY 2023-2024 BUDGET DRAFT #2**

<b>DESCRIPTION</b>	<b>ACTUAL 2021</b>	<b>ACTUAL 2022</b>	<b>BUDGET 2023</b>	<b>BUDGET 2024</b>	<b>\$ Increase (Decrease)</b>	<b>% Increase (Decrease)</b>
ELECTRICITY	\$ 343,500	\$ 355,203	\$ 292,200	\$ 300,653	\$ 8,453	
OIL	\$ 85,962	\$ 148,038	\$ 125,440	\$ 157,376	\$ 31,936	
OTHER ENERGY-WOOD CHIPS / WOOD PELLETS	\$ 102,147	\$ 85,496	\$ 110,129	\$ 147,496	\$ 37,367	
EQUIPMENT	\$ 8,830	\$ 24,558	\$ 117,600	\$ 117,600	\$ -	
<b>TOTAL OPER. AND MAINT.PLANT</b>	<b>\$ 2,493,560</b>	<b>\$ 2,957,133</b>	<b>\$ 3,139,829</b>	<b>\$ 3,337,492</b>	<b>\$ 197,663</b>	<b>6.30%</b>
<b>STUDENT TRANSPORTATION SV</b>						
STUDENT TRANSPORTATION SV	\$ 1,476,321	\$ 1,645,202	\$ 1,572,025	\$ 1,617,331	\$ 45,306	
<b>TOTAL STUDENT TRANSPORTATION SV</b>	<b>\$ 1,476,321</b>	<b>\$ 1,645,202</b>	<b>\$ 1,572,025</b>	<b>\$ 1,617,331</b>	<b>\$ 45,306</b>	<b>2.88%</b>
<b>STUDENT TRANS-OTHER</b>						
STUDENT TRANS-FIELD TRIPS	\$ 7,321	\$ 20,210	\$ 45,105	\$ 45,105	\$ -	
<b>TOTAL STUDENT TRANS-OTHER</b>	<b>\$ 7,321</b>	<b>\$ 20,210</b>	<b>\$ 45,105</b>	<b>\$ 45,105</b>	<b>\$ -</b>	<b>0.00%</b>
<b>DEBT SERVICE</b>						
REDEMPTION OF PRINCIPAL	\$ 926,910	\$ 927,136	\$ 772,369	\$ 772,608	\$ 239	
INTEREST LONG TERM DEBT	\$ 306,516	\$ 292,705	\$ 270,063	\$ 248,590	\$ (21,473)	
<b>TOTAL DEBT SERVICE</b>	<b>\$ 1,233,426</b>	<b>\$ 1,219,841</b>	<b>\$ 1,042,432</b>	<b>\$ 1,021,198</b>	<b>\$ (21,234)</b>	<b>-2.04%</b>
<b>REFUND PRIOR YEAR</b>						
REFUND PRIOR YEAR TUITION	\$ -	\$ 45,538	\$ -	\$ -	\$ -	
<b>TOTAL REFUND PRIOR YEAR</b>	<b>\$ -</b>	<b>\$ 45,538</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>#DIV/0!</b>
<b>FUND TRANSFER OUT</b>						
FUND TRANSFER-CAPITAL	\$ 3,206,522	\$ 2,225,000	\$ 880,000	\$ 901,234	\$ 21,234	
FUND TRANSFER-FOOD SERVICE	\$ -	\$ 149,115	\$ 149,115	\$ -	\$ (149,115)	
FUND TRANSFER-COMMUNITY CONNECTIONS	\$ 40,000	\$ 40,000	\$ 40,000	\$ 50,000	\$ 10,000	
<b>TOTAL TRANSFER TO OTHER FUNDS</b>	<b>\$ 3,246,522</b>	<b>\$ 2,414,115</b>	<b>\$ 1,069,115</b>	<b>\$ 951,234</b>	<b>\$ (117,881)</b>	<b>-11.03%</b>
<b>SUPPORT PROGRAMS-SPECIAL EDUCATION</b>						
SALARIES	\$ 1,042,264	\$ 1,174,993	\$ 1,344,622	\$ 1,575,171	\$ 230,549	
MISCELLANEOUS BENEFITS	\$ 517,901	\$ 540,105	\$ 759,107	\$ 952,921	\$ 193,814	
STATE PLACED STUDENT COSTS	\$ 221,360	\$ 96,205	\$ 167,940	\$ 154,316	\$ (13,624)	
STATE PLACED STUDENT COSTS 504	\$ -	\$ -	\$ -	\$ -	\$ -	
SPECIAL EDUCATION PROGRAMS	\$ 2,117,889	\$ 2,029,147	\$ 2,349,429	\$ 2,683,841	\$ 334,412	
EXTRAORDINARY PROGRAM	\$ 1,316,830	\$ 1,429,944	\$ 1,555,152	\$ 1,878,113	\$ 322,961	
SUMMER PROGRAM	\$ 43,435	\$ 108,055	\$ 106,605	\$ 93,663	\$ (12,942)	
ZENITH(WITHOUT CLASSROOM TEACHERS)	\$ 151,977	\$ 159,523	\$ 176,510	\$ 183,418	\$ 6,908	

**WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT**  
**FY 2022-2023 BUDGET vs. FY 2023-2024 BUDGET DRAFT #2**

<b>DESCRIPTION</b>	<b>ACTUAL 2021</b>	<b>ACTUAL 2022</b>	<b>BUDGET 2023</b>	<b>BUDGET 2024</b>	<b>\$ Increase (Decrease)</b>	<b>% Increase (Decrease)</b>
PSYCHOLOGICAL SERVICES(INCL SUMMER PROG)	\$ 164,863	\$ 116,396	\$ 64,915	\$ 148,163	\$ 83,248	
SLP SERVICES	\$ 532,012	\$ 516,042	\$ 540,718	\$ 552,454	\$ 11,736	
OT SERVICES	\$ 22,945	\$ 28,764	\$ 30,032	\$ 32,603	\$ 2,571	
PT SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	
TRANSPORTATION(NOT SUMMER)	\$ 81,700	\$ 99,885	\$ 54,296	\$ 69,179	\$ 14,883	
EEE	\$ -	\$ 8,919	\$ -	\$ 10,403	\$ 10,403	
<b>TOTAL SUPPORT PROGRAMS-SPECIAL EDUCATION</b>	<b>\$ 6,213,176</b>	<b>\$ 6,307,980</b>	<b>\$ 7,149,326</b>	<b>\$ 8,334,245</b>	<b>\$ 1,184,919</b>	<b>16.57%</b>
<b>SPED ADMINISTRATION</b>						
SALARIES	\$ 296,732	\$ -	\$ 307,735	\$ 323,321	\$ 15,586	
MISCELLANEOUS BENEFITS	\$ 68,225	\$ 300,650	\$ 86,924	\$ 94,535	\$ 7,611	
TUITION REIMBURSEMENT	\$ 1,555	\$ 81,617	\$ 7,000	\$ 7,729	\$ 729	
INSURANCE	\$ 3,500	\$ 5,870	\$ 3,700	\$ 3,500	\$ (200)	
COMMUNICATIONS	\$ 4,775	\$ 3,500	\$ 4,775	\$ 4,775	\$ -	
ADVERTISING	\$ 889	\$ -	\$ 500	\$ 500	\$ -	
TRAVEL	\$ 18	\$ 398	\$ 2,000	\$ 2,450	\$ 450	
SUPPLIES	\$ 4,855	\$ 958	\$ 4,500	\$ 4,446	\$ (54)	
SUPPLIES-SOFTWARE	\$ 5,940	\$ 134	\$ 6,000	\$ 6,000	\$ -	
DUES AND FEES	\$ 1,575	\$ 5,390	\$ 645	\$ 645	\$ -	
<b>TOTAL SPED ADMINISTRATION</b>	<b>\$ 388,064</b>	<b>\$ 398,516</b>	<b>\$ 423,779</b>	<b>\$ 447,901</b>	<b>\$ 24,122</b>	<b>5.69%</b>
<b>ENGLISH LANGUAGE LEARNER</b>						
SALARIES	\$ 57,550	\$ 58,672	\$ 60,726	\$ 63,174	\$ 2,448	
MISCELLANEOUS BENEFITS	\$ 19,985	\$ 17,368	\$ 18,904	\$ 19,672	\$ 768	
TUITION REIMBURSEMENT	\$ 53	\$ 165	\$ 1,000	\$ 1,627	\$ 627	
TRAVEL	\$ 85	\$ -	\$ 1,000	\$ 1,000	\$ -	
<b>TOTAL ENGLISH LANGUAGE LEARNER</b>	<b>\$ 77,673</b>	<b>\$ 76,205</b>	<b>\$ 81,630</b>	<b>\$ 85,473</b>	<b>\$ 3,843</b>	<b>4.71%</b>
<b>CO-CURRICULAR ACTIVITIES</b>						
MISCELLANEOUS EXPENSES	\$ 564,609	\$ 710,971	\$ 746,309	\$ 789,845	\$ 43,536	
<b>TOTAL COCURRICULAR ACTIVITIES</b>	<b>\$ 564,609</b>	<b>\$ 710,971</b>	<b>\$ 746,309</b>	<b>\$ 789,845</b>	<b>\$ 43,536</b>	<b>5.83%</b>
<b>COVID-19 EXPENSES-REIMBURSED BY CRF FUNDS</b>						
MISCELLANEOUS EXPENSES	\$ 2,963,051	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL COVID-19 EXPENSES</b>	<b>\$ 2,963,051</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>
<b>TOTAL EXPENSES</b>	<b>\$ 36,817,049</b>	<b>\$ 35,345,803</b>	<b>\$ 36,169,269</b>	<b>\$ 38,249,726</b>	<b>\$ 2,080,457</b>	<b>5.75%</b>



**State of Vermont**  
**Department of Taxes**  
133 State Street  
Montpelier, VT 05633-1401

*Agency of Administration*

December 1, 2022

Rep. Krowinski, Speaker of the House  
Sen. Balint, President Pro Tempore  
Vermont State House  
115 State Street  
Montpelier, VT 05633-0004

Dear Speaker Krowinski and President Pro Tempore Balint:

The Commissioner of the Vermont Department of Taxes, after consultation with the Agency of Education, the Secretary of Administration, and the Joint Fiscal Office, is required by 32 V.S.A. § 5402b to calculate and forecast a property dollar equivalent yield, an income dollar equivalent yield, and a non-homestead tax rate by December 1. This letter is submitted in fulfillment of the statutory obligation. The Department of Taxes, Department of Finance and Management, Agency of Education, and the Joint Fiscal Office prepared consensus forecasts on various components of the Education Fund Operating Statement for Fiscal Year 2024 (FY24) so that the required analysis could be performed.

**5402b(a)(2) Mandated Forecast**

In the statutorily mandated calculation and recommendation under 32 V.S.A. 5402b, the Commissioner must assume the following:

1. The homestead base tax rate is \$1.00 per \$100.00 of equalized education property value;
2. The applicable percentage under 32 V.S.A. 6066(a)(2) is 2.0;
3. The statutory reserves under 16 V.S.A. § 4026 are maintained at five percent; and
4. The percentage change in the average education tax bill applied to homestead property, non-homestead property, and taxpayers who claim a property tax credit is the same.

The values in the FY24 column in the following table satisfy the statutorily mandated parameters of the recommendation. As required by statute, the FY24 column assumes the nearly \$64 million in forecasted unreserved/unallocated funds from FY23 are applied towards lowering FY24 property tax rates. Taxpayers would see an average increase of 3.7% in their education tax liabilities if these yields and non-homestead rate were adopted. If the projected FY23 reserve were not applied to lowering FY24 tax rates, taxpayers would see an average increase of 8.3%.



	<b>FY23 (for comparison)</b>	<b>FY24</b>
Homestead Property Yield	\$13,314	<b>\$15,479</b>
Income Yield	\$15,948	<b>\$17,600</b>
Non-homestead Property	\$1.466	<b>\$1.386</b>

### **Average Homestead Rates**

If the forecasted yields and rate in the table above were adopted, the average 2023-2024 (FY24) education tax rate for resident households would be as indicated in the table below. Equalized property rates are before the adjustment factor for the town level of appraisal.

	<b>FY23 (for comparison)</b>	<b>FY24</b>
Average Homestead Rate (equalized)	\$1.38	<b>\$1.31</b>
Average Income Rate	2.31%	<b>2.31%</b>

### **Average Actual Property Tax Rates**

The average actual 2023-2024 (FY24) education property tax rates would be as indicated in the table below. Actual property rates are what taxpayers see on their bills and reflect both the voted school budget and the adjustment factor for the town level of appraisal.

	<b>FY23 (for comparison)</b>	<b>FY24</b>
Average Homestead Rate	\$1.50	<b>\$1.57</b>
Average Non-homestead Rate	\$1.57	<b>\$1.64</b>

### **Education Spending Growth**

	<b>FY23 (for comparison)</b>	<b>FY24</b>	<b>Rate of Growth</b>
Total Education Spending (\$Millions)	\$1,576.7	\$1,711.0	8.52%
Equalized Pupil Count	85,813	84,890	-1.08%
Average Equalized Per Pupil Spending	\$18,373	\$20,155	9.70%

The forecasted year over year rate of growth in education spending of 8.52% would be substantially higher than the actual rate of growth over the last several fiscal years.

	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
Ed. Spending (\$Millions)	1,348.5	1,371.4	1,426.2	1,482.0	1,496.6	1,576.7	1,711.0
Rate of Growth	3.40%	1.70%	4.00%	3.91%	0.99%	5.35%	8.52%

### **Key Considerations from the Administration's Point of View**

This forecast is calculated as prescribed in statute and with the information that is available to date. Because of this, there are always variables or uncertainties that might result in a different outcome than what is forecasted. I extend my appreciation to the teams at the Department of Taxes, Agency of Education, Department of Finance and Management, and Joint Fiscal Office for collaborating on the extensive and complex work to gather and analyze the data that is required to publish this forecast.

This letter forecasts equalized Homestead rates to drop from \$1.38 to \$1.31, which on the surface would appear to be great news. However, this drop in equalized rates does **not** tell the entire story, and the Common Level of Appraisal, Education Fund surplus, and projected growth in education spending (all detailed below) should be considerations for policymakers and voters this coming year. In fact, **despite the projected decline in equalized rates, and the fact that we have a sizable surplus which is statutorily required to reduce rate pressure in this letter, taxpayers should expect that if the yields calculated from the forecast come into effect, they will still pay, on average, close to four percent more in their property tax bills this year. If the surplus were not used to buy down rates at all, taxpayers would see an average increase of over eight percent in this year's property tax bills.**

- **Common Level of Appraisal:** The equalized property tax rate is adjusted by the Common Level of Appraisal (CLA) in each town, which helps ensure uniform property values around the state. When fair market property values increase in a town, it decreases the town's CLA, which causes the town's tax rate on bills to increase. Because of the increases in value in real estate in Vermont over the last couple of years, the CLA has been reduced significantly in many communities across the state, and the actual tax bills taxpayers see in those communities may be higher than what is indicated by the average equalized rate forecasted in this letter. Property value appreciation, on top of higher-than-normal school spending growth, are the main reasons the average property tax bill is projected to increase by 3.7 percent.
- **Surplus:** Statute requires for the forecasted calculation of tax rates, the entirety of any Education Fund surplus is used to "buy down" the forecasted property tax rate, and this year the letter projects a surplus of over \$63 million, which buys down equalized rates approximately six cents. While this projected surplus is significantly lower than the never-before-seen surplus of over \$95 million from last fiscal year, it is still extraordinary considering surpluses were generally in the \$10-15 million range prior to FY22. For this coming year, even after applying the surplus, the average tax bill is likely to still rise by 3.7 percent. And, as we move forward, it would be prudent to recognize that the substantial surpluses of the last two fiscal years are extraordinary, and not likely to reoccur annually in the future. We should be thoughtful in how we invest them and ensure we do not take them for granted as a given each year.



The letter this year also projects an 8.5 percent overall growth rate in school spending, essentially double last year's projected growth rate, and it would be higher than any growth rate in at least the last decade. We also know that continued inflationary pressures, policy initiatives such as changes to the pupil weighting formula, and capital maintenance and remediation costs, will continue to create cost pressures for the Education Fund.

Because of all these pressures - including those on Vermont property taxpayers, who are also facing inflationary pressures in a variety of areas - the Administration is eager to work with the Legislature to apply the current projected surplus to reduce property tax rates in FY24. It is important to note, the projected surplus may increase after the January E-Board meeting. Should that additional surplus materialize, the Administration hopes to work with the Legislature to consider other investments that help reduce tax rate increases in the future.

It has been a challenging few years for students and others involved in our education system. We have more change ahead with the pupil weighting formula adjustment coming in fiscal year 2025, so it is important to be thoughtful this year as we set the landscape for a more affordable future. My thanks go out to all of those who dedicate their lives and careers to the education and wellbeing of Vermont's children.

Sincerely,



Craig Bolio  
Commissioner, Department of Taxes

cc: Kristin Clouser, Secretary, Agency of Administration  
Daniel French, Secretary, Agency of Education  
Adam Greshin, Commissioner, Department of Finance and Management  
Rep. Janet Ancel  
Sen. Ann Cummings  
Rep. Kathryn Webb  
Sen. Brian Campion  
Catherine Benham, Joint Fiscal Office  
Jennifer Carbee, Office of Legislative Counsel

To: WCUUSD School Board

From: Kari, on behalf of Education Quality Committee

December 2022

At our most recent meeting, the committee reflected on the November monitoring report discussions. Based on those, below is a draft list of priority topics for ongoing monitoring and presentation notes. Please review and provide any feedback as we continue our design of a system for monitoring student achievement. In particular, we are interested in hearing what types of monitoring data (e.g. quantitative/qualitative, comparative, cohort) you are most interested in including.

### **Nov 2022 Monitoring Report: Summary of Board and Committee Discussions**

#### Priorities

- Graduation Rate:
  - Sudden decrease in rate concerning
  - Are there any “upstream” indicators that could help us identify students at risk of not graduating?
- Student achievement gaps
  - Literacy and math especially important
- Interest in seeing growth data and disaggregated data (gender, race, ethnicity) to better understand issues of equity in our system

#### Data and Presentation

- Local data preferred, standardized testing is problematic
- Request to include staff voice (specifically do staff feel supported?)
- Want more data, more granular data, suggestion to track a single cohort over time
- Want more narrative, analysis, explanation
- How can we measure in a way that engages people?
- Want more context and comparatives for context: neighboring districts, other state

## 2022-23 Education Quality Goal

SMART Goal	<i>School Board develop and adopt a system for monitoring student achievement by June 2023</i>
Specific	<ul style="list-style-type: none"> <li>• What will be accomplished? <i>Board will have a system monitoring student achievement that reflects our values and is understandable, replicable, effective and sustainable</i></li> <li>• What actions will we take? <ul style="list-style-type: none"> <li>◦ <i>Education Quality Committee (EQC) will propose system components for board's consideration</i></li> <li>◦ <i>Board will provide feedback, practice during this year's monitoring opportunities and formally adopt a system</i></li> </ul> </li> <li>• Who needs to be involved to achieve the goal? <i>Board, EQC, Jen and Meagan, plus others</i></li> <li>• Why is this a goal? <i>Student achievement is central to our mission, monitoring is an essential board function that a good system will help us fulfill</i></li> </ul>
Measurable	<ul style="list-style-type: none"> <li>• What data will measure the goal? <i>Development of system components including a reporting process, guidance for assessing evidence, shared priorities and a timetable</i></li> <li>• What will success look like? <i>Board members agree on the components and overall system for monitoring student achievement</i></li> </ul>
Achievable	<ul style="list-style-type: none"> <li>• Is the goal doable? <i>Yes</i></li> <li>• Do we have the necessary skills and resources? <i>For the most part, though we will likely benefit from external resources</i></li> <li>• If not, can we attain the skills and resources? <i>Possible resources: VSBA, VSA, other districts</i></li> <li>• What is the motivation for this goal? <i>Student achievement is why we exist and we want to support systematic improvement</i></li> </ul>
Relevant	<ul style="list-style-type: none"> <li>• How does the goal align with the broader goals of the school district? <i>Supports progress with our Mission, Continuous Improvement Plan, Proficiency Based Graduation policy and board's budget parameter for supporting student achievement.</i></li> <li>• Why is the result important? <i>Will help the Board understand and clarify expectations for student learning which is central to our Mission, plus a good system will help us use our time efficiently</i></li> <li>• Why are we setting this goal now? <i>Next step in our journey to understanding and positively impacting student learning</i></li> </ul>
Time-Bound	<ul style="list-style-type: none"> <li>• What is the timeframe for accomplishing the goal? <i>EQC suggest components through the year including for November and March monitoring reports, Board adoption of system June 2023</i></li> <li>• How will we know that we are making progress? <i>As we reach agreements on components</i></li> <li>• Is the deadline realistic? <i>yes</i></li> </ul>



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### Central Office Transitions

In some bittersweet news, we wanted to share that Virginia Breer resigned her position as Senior Payroll and Cash Accountant, in order to accept a new position as the Assistant Director of Finance at the Washington Electric Cooperative. Virginia has worked for the Washington Central district since 2005, supporting the Fiscal Services Team and the entire organization. Her position changed and evolved through the years, but Virginia's dedication has remained constant, especially in her mission to ensure the employees of the school district are paid timely and accurately and have a high level of service and support for benefit administration. Virginia will be missed a great deal by everyone who has worked with her, but we wish her all the best in this new endeavor. We have begun the search for Virginia's replacement. If you know someone that might be interested in learning more, please direct them to the district website, <https://www.wcsu32.org/Page/1304> or schoolspring.com.

We are excited, though, to welcome Thomas Hamlin to the Fiscal Services Team as the new Accounts Payable Accountant for Washington Central. Tom has served as the temporary Accounts Payable Accountant since October, has fit in very well with the Team and has helped to make Penny's transition to the Financial Accountant position a great deal smoother. Tom has a B.S. in Accounting from SUNY Plattsburgh and is excited about the opportunity to apply his knowledge to support the school district and continue to learn and grow in the process. Congratulations and welcome to the team, Tom!

### Class Size Recommendations

The Washing Central Class Size policy ([D6](#)) requires that the Superintendent report to the Board annually regarding district-wide class size recommendations, including recommendations for optimal minimum and maximum class sizes. The last time these guidelines were revised was during the 2020-2021 school year, and stated:

- WCUUSD will strive to have between 14 and 18 students per classroom in Grades K-3 with no more than two grades per classroom.
- WCUUSD will strive to have between 16 and 22 students per classroom in Grades 4-6 with no more than two grades per classroom.
- WCUUSD will strive to have between 18 and 24 students per classroom in Grades 7-12
- WCUUSD will strive to keep class sizes greater than 10 unless there are specific needs.

This year, the leadership team has done an extensive review of our current class sizes as part of our examination of Education Quality Standards during the budget process. This analysis has focused on a number of realities and has surfaced important instructional implications. Below is a summary of Washington Central's current class sizes and how they compare to Vermont's Education Quality Standards:



	WCUUSD Average	WCUUSD Range	VT Education Quality Standards
<b>K-3</b>	16	10-19	Avg: < 20
<b>4-6</b>	16	11-19	Avg: < 25
<b>4-12</b>	16	6 - 20	

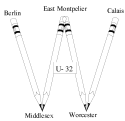
Washington Central's average class sizes are significantly smaller than those recommended in the Vermont Education Quality Standards at all grade levels. They are also significantly smaller than the 2020 class size recommendations.

The averages above represent the district's current class sizes. Enrollment projections for the 23-34 school year indicate that our smallest classes will fall even further below current ranges, and below the recommended minimum class size.

In determining the district's updated class size recommendations, the leadership team has centered our conversations on optimal class sizes that foster instructional best practices and ensure that all students have appropriate educational and social opportunities. We believe that the class size ranges listed above are still appropriate in order to maximize instructional opportunities for students. However, it is our belief that extremely small class sizes limit student opportunity both socially and academically. Sound academic instruction (that includes large group, small group and individual instruction as needed) can be limited when classroom sizes fall below 12. Our recommendation would be to revise our class size recommendations as noted below:

- WCUUSD will strive to have between 14 and 18 students per classroom in Grades K-3 with no more than two grades per classroom.
- WCUUSD will strive to have between 16 and 22 students per classroom in Grades 4-6 with no more than two grades per classroom.
- WCUUSD will strive to have between 18 and 24 students per classroom in Grades 7-12
- WCUUSD will strive to keep class sizes greater than 12 unless there are specific instructional justifications at the high school level

It is important for the Board to be aware, however, that in our current structure next year's class sizes will not be in keeping with these recommendations. During Board budget conversations, we will engage further in a conversation about optimal instructional class sizes and implications of our enrollment realities.



### Oil Bids

Oil and propane bids have been placed on hold due to the volatility of the market. We are monitoring the market to be sure to choose to bid at the most opportune time. Holding off does mean that we do not have awarded numbers to use for the budget, so we have applied inflationary factors to the prices for the FY 2023-24 Budget. We will keep the Finance Committee and Board informed when we are able to move forward with the bid.

### WCUUSD Homeless Procedures

All schools are required to support students and families who may be experiencing homelessness. The McKinney-Vento Act, originally authorized in 1987 and most recently reauthorized in December 2015 by the Every Student Succeeds Act (ESSA), is designed to address the challenges that homeless children and youths have faced in enrolling, attending, and succeeding in school. Under the Act, schools must ensure that each homeless child and youth has equal access to the same free, appropriate public education, including a public preschool education, as other children and youths. In particular, McKinney-Vento focuses on the concept of “school stability” - supporting families to keep children in a stable educational environment even while their housing is precarious.

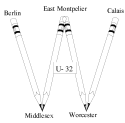
#### The McKinney Vento Act:

- Establishes the definition of homeless used by schools
- Establishes rights given to eligible students
- Ensures that children and youth experiencing homelessness have equal and immediate access to public education
- Provides educational support to promote school success

Kerra Holden is the Homeless Liaison for Washington Central. Our internal procedures help ensure that we are compliant with the law and that we appropriately identify & support our homeless youth.

#### WCUUSD Procedures:

1. Staff members participate in annual mandatory trainings outlining staff obligations in identifying and reporting a student/s potential homelessness status
2. Staff members learn of and report (potential) homelessness of a student/family to the principal
3. Staff member and/or principal complete *Homeless Referral Form* and send to Homeless Liaison
4. Homeless Liaison contacts the family to understand their status as a family experiencing homelessness and to identify necessary supports for their students. These supports could include (but are not limited to):
  - a) Transportation to/from school
  - b) Supplies & food to access education
  - c) Access to the educational support system to support learning gaps



Guidance and support is available from the State Homeless Liaison, who can support district staff when homeless status is unclear, or when the family and LEA disagree.

Below is an example of what the process looks like for a simulated case study:

*The family of a third grade student at one of our elementary schools was evicted from their apartment. The family established temporary housing in a hotel in Barre. The student comes into school late on Monday. She shares with her classroom teacher that she and her family moved into a hotel in Barre and that she might be late to school from now on. Her parents have one car and cannot get her to school on time with their work and child care schedules.*

*The teacher shares this information with the principal, who completes the MVA Homeless Referral Form and shares the form with Kerra, WCUUSD's Homeless Liaison. Kerra contacts the parents to learn about their current housing situation and to understand how to best support the student in accessing her education.*

*The parents inform Kerra that they are indeed living in a hotel and hope to regain housing in their community of origin. Kerra utilizes the MVA homeless criteria to decide that the student will remain at her school of origin, and concludes that morning transportation is necessary to support her in getting to school on time. The student's father is able to transport her home from school and states the added fuel costs are a financial burden on the family. The district then arranges morning transportation for the student and provides mileage reimbursement for the parents for the afternoon trip home.*



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**2022-2023 Priorities:**

- ➔ Academic Achievement & Student Outcomes
- ➔ Student Health & Safety
- ➔ Humanity, Justice & Equity Work

**Update on District Priorities:**

***Academic Achievement & Student Outcomes***

**Berlin:** A big part of our work this year is looking at and revisiting our EST structure and also our MLSS system. We have introduced a high level of progress monitoring here at Berlin that better tracks students in Tier 2. Teams meet monthly to review progress and discuss any changes or adjustment to intervention. We can also better track students that might need a higher level of attention through the EST process. Teachers and interventionists continue to implement Foundations and Just Words.

**Calais:** Teachers are focused on winter assessments and goal setting for our 2nd semester. These assessments show how students are responding to intervention and supports that were implemented based on our Fall assessments.

**Doty:** We have had some major celebrations of growth with students here! In addition to our regular team meetings, I have been meeting with all teachers every other week to both make sure they are getting what they need to effectively teach and to review all students, with an especial eye towards those students who sometimes slip through the cracks. This allows us to intervene quickly and give students the “just right” dose of extra help to meet their needs.

**EMES:** Earlier this month, EMES staff spent an afternoon analyzing SEL and behavioral data on each of our students. Using the “traffic light” system that we use when entering academic data into our data wall, each of our U-Arts teachers and classroom teachers entered a colored data point for each student they teach, and together we reviewed the culmination of this in order to identify next steps. In addition, we looked at attendance data and Office Discipline Referrals (ODRs) to identify any correlation in these areas. As a staff, we identified 42 students who we have since followed up on to create specific next steps in ensuring their SEL and behavioral needs are being met. We will participate in a similar process twice more this year in hopes that we are taking appropriate steps to address not only our academic but SEL/behavior needs.

**Rumney:** Grade level teams meet each week with interventionists, special educators, and our SLP. We have been discussing ways to tighten our systems of identifying and

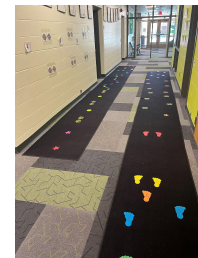


documenting student supports. This year we have enhanced our EST process, which is included in our staff and family handbooks. This helps ensure that intervention is used when necessary and that we have and use data to determine the length this service needs to be in place.

**U-32:** We are currently building a “data wall” to monitor how students are doing when they access our interventions. This will allow us to see what is working and what is not for individual students. This is also the time of year when we begin to look at the data for our incoming 7th graders (current 6th graders) so we can start scheduling our interventions. This process starts with a review of data, then we send our recommendations back to 6th grade teachers for their opinion, and finish up by creating the courses and intervention groups that our Middle School staff will work with next year.

### **Update on District Priorities:** ***Student Health & Safety***

**Berlin: Health:** Berlin has created a Sensory Path for students!. This is an opportunity for students to build body strength, coordination, and spatial awareness in a fun and different way. Students have to step, hop, push, crawl, and jump on the path. It’s also a quick way for students to regulate themselves when needed.

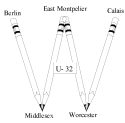


**Calais:** We have been focused on Social Emotional Learning (SEL) in guidance class for all students and the use of Responsive Classroom (RC) in each classroom. Together, guidance class and following the basic tenets of RC ensures we are being proactive in teaching SEL at the universal level. We are responsive to the challenges using PBiS, Restorative Practices and the strong connections between our amazing staff, student support specialist, nurse, and counselor with our students. Connections are at the heart of what builds our community. We have had so many students and staff out with extended absences due to illness so these proactive and responsive supports are critical for students being ready for learning.

**Doty:** Doty’s recent rounds of tummy bugs and colds has helped us provide our students with some real life learning that handwashing, catching coughs, and staying home when you are sick are not just things that we did with COVID.

We also have a weekly yoga club that meets on Monday. All students are learning about self regulation and wellness through weekly yoga with Nurse Jess. Several students now incorporate yoga into their own movement or self care breaks.

**EMES:** We are in the beginning stages of identifying some improvements and updates needed on our playground that address both ADA accessibility and safety. This coming spring, we are hoping to expand our ADA accessible path that leads from our building up to the playground area and outdoor classrooms. We are also hoping to build an



accessible sandbox and repurpose a storage shed into an accessible cabin in the woods to replace the one we had to take down this fall. In addition, we are hoping to build a new storage structure where our existing one is that can house all of our outdoor PE equipment as we've been using the stage for many of these items.

**Rumney:** In December we kicked off weekly "advocacy meetings." Each week the principal, school counselor, nurse and student support specialist meet to discuss information about students' social emotional needs, attendance, and overall well being. This weekly meeting ensures we all have relevant information about each student and can coordinate supports when needed. It's a great way to not only stay up to date on the happenings with students, but to brainstorm and connect with each other in order to grow our supports.

**U-32:** Our school social worker is speaking with our students this month about mental health and the need to create balance, connections and movement in our lives so that we can have good mental health. We have met in grade level assemblies. We are focusing on mental health during this holiday season because we see students struggle during this time. By holding these assemblies we can give students information on how to stay healthy and where to go if they are struggling.

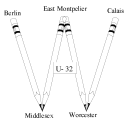
#### **Update on District Priorities:** ***Humanity, Justice & Equity***

**Berlin:** We're continuing our committee meetings and planning for January through June student and staff learning. We'll have a full staff HHB training in January and are looking to plan for guest speakers at our staff meetings to further develop understanding, acceptance, and kindness.

**Calais:** We have experienced success in our work with Shelley Vermilya. She guides our staff to have meaningful discussions about ways to engage students in creating healthy relationships and problem solving skills. She empowers staff and connects them with resources around topics of race, gender, class, and all things equity.

**Doty:** We have been having discussions here around looking at students who are identified as needing extra support, either for academic or SEL reasons. These students are predominantly boys which is pushing us to look at our practice and our knowledge base in real time.

**EMES:** In our most recent *Conversations with Shelley*, staff shared some of the great work they did with students around Thanksgiving. Our fifth and sixth graders read the book, *We Are Still Here! Native American Truths Everyone Should Know*, and participated in



Chalk Talks exploring why it is important for people today to understand the history and experiences of Native Americans. Small groups then created projects exploring various terms like "Assimilation, Indian New Deal, Relocation, Tribal Activism, Religious Freedom, and Language Revival." This shared activity was impactful for all who participated.

**Rumney:** Staff engaged in discussions related to behavior reporting, dress code, and other student issues that need to be viewed through the equity lens. We are all committed to doing what is best for all students in order to provide access to learning.

**U-32:** Our BLAMM students are getting ready to present to the staff in a couple of weeks and our Student Council is planning meetings where they get student input about how we can continue to improve the school. We continue our focus on creating stronger bonds of trust so that students can feel a sense of belonging, have space for personal growth and they can achieve academically.

### **Celebrations & Upcoming Events**

**Berlin:**

Saturday, December 10 - 10:00 - 4:00 Holly Jolly Holiday Fair

PTNA Holiday Bazaar, December 15th.

Whole school assembly, December 20th.

**Calais:**

We have so much to celebrate at Calais these days. As you may recall, last year, our amazing PreK teacher, Callie Weller, was selected as the Early Childhood Educator of the Year for Vermont. She was recognized for her work in our district by the Vermont Association of Educating Young Children (VAEYC). This year, she was asked to represent Vermont at the national conference for NAEYC in Washington, DC. Our students and staff missed her terribly but enjoyed hearing stories about "Mrs. Weller goes to Washington." Mrs. Weller's trip focused on a commitment to early childhood education and she connected with Senator Bernie Sanders office around some of the rich programming in Vermont along with some of the challenges we face. Thank you for representing our youngest learners!

**Doty:**

- Doty 5th and 6th grade students raised **\$830** for the Veteran's Place in Northfield. I was honored to witness them present their gift to the representatives of the Veteran's Place. This project was entirely student driven.
- December 21 is Sparkle Day at Doty where we all wear something sparkly to brighten up the darkest day of the year.
- December 21 is also Gifts For Giving. Seven volunteers from the community will be coming in and doing craft projects with all of our students



**EMES:** We have had so much to celebrate this past month at EMES! We had two very successful music concerts, a guest author visit, a few all-school celebrations and assemblies, and a Harvest Feast. Later this week, we will have an all-school performance of *The Elves and the Shoemaker* as well as our annual Gifts for Giving. On Wednesday, December 21st, we will have an all-school assembly in the gym as we participate in [Lego's Build to Give](#) in our cross-graded PBIS groups.

**Rumney:** We had our first All School Meeting. 6th grade presented information about their escape room project. This was a project that focused on team building and problem solving in a fun and creative way. Students designed an "escape room" with 5 questions and participants had to answer all 5 correctly in the allotted time to "escape." Fun was had by all and it was great to see them present their work to the whole school.

On December 22, the 5th grade class will be sharing work they did in December around giving. They teamed up with a local shelter and food shelf and had a list of specific items to donate.

**U-32:** Please check our [Tandem Calendar](#) for a whole host of events. There is always something to do at U-32.

### Supervision & Evaluation Updates

**Berlin:** I've been working on conducting observations for new year first or second year teachers. Our system allows for pre and post observation meetings, feedback from administrators, and a high level of reflection from the teacher being observed. The observation aligns with the Danielson Framework and feedback is based on these domains.

**Calais:** Calais has a number of new staff members, so I've been ensuring that they each received a formal observation. These formal observations are a unique opportunity to see all of the elements that go into good instruction from planning, to setting up expectations, delivering high quality instruction that is responsive to learners, and reflection or assessment.

**Doty:** An injury to my arm has compromised my typing ability so formal observations over the past month were put on hold. Instead I have been doing informal visits, often to observe and help teachers with specific questions or concerns. Formal observations are set to resume in January.

As a side note, I have been sharing with staff my forays into assistive technology. It has been eye opening for all of us to realize that our patterns of thinking and working are often so tied to how we produce our work. It has been good learning for all of us as we



work to provide our students with the tools they need to demonstrate their understanding. It's not always a simple switch!

**EMES:** In addition to formal observations and walkthroughs done by me, some of our teachers have been going into each others classrooms to observe and support one another. One of our interventionists has taken the lead in supporting our teachers in the roll-out of Just Words at the 4-6 level and has been supporting colleagues by teaching demo lessons and working alongside classroom teachers to implement this program. EMES also has three student teachers this semester - one in Kindergarten, one in Grade 3, and one in PE. They have just finished up their solo weeks and are preparing to shift into a new assignment in our building in January. We love supporting those preparing to be educators!

**Rumney:** Walkthroughs are intended to gather data over time and across grade levels. This year, being fully staffed has allowed me to get into every classroom at least once a week. One of the exciting pieces of this work is that I get to see the implementation of our math and literacy programs throughout classes and grade levels. Rumney is very fortunate that we have teachers implementing these evidence based programs with fidelity.

**U-32:** Formal observations and regular walkthroughs continue at U-32 for our first and second year teachers. Our Student Council is also starting to work with teachers to create a way for teachers to get direct feedback from students about their classroom and instruction. The hope is to standardize the process so that all teachers can get student feedback outside of the evaluation process.

## Washington Central Unified Union School District

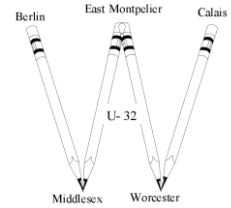
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Meagan Roy Ed.D.  
Superintendent



**TO: WCUUSD Finance Committee & School Board**  
**FROM: Susanne Gann, WCUUSD Business Administrator**  
**RE: Review and Approve the FY 2021-22 Final Audit Report**  
**DATE: December 2, 2022**

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**Summary:** The FY 2021-22 Audited Financial Statements for the year ended June 30, 2022 are included in the Board packet along with a letter from RHR Smith. We have reviewed the audit, reconciled statements with our internal accounting software and accept the report as a complete and accurate report for the year.

The final page of the audit includes a Summary of the Auditor's Results reporting no material weaknesses or significant deficiencies in internal controls, no financial statement findings and no federal award findings to report.

**Recommended Board Action:** The Board accept the audited financial statements for the Washington Central Unified Union School District for the year ended June 30, 2022 from RHR Smith & Company.



Proven Expertise & Integrity

December 1, 2022

Board of Directors  
Washington Central Unified Union School District  
Montpelier, Vermont

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Washington Central Unified Union School District for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 3, 2022. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Findings**

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Washington Central Unified Union School District are described in Note 1 of Notes to Financial Statements. All significant transactions have been recognized in the financial statements in the proper period.

As described in Note 1 of Notes to Financial Statements, the Washington Central Unified Union School District changed accounting policies related Governmental Accounting Standards Board (GASB Statement) No. 87, "*Leases*", GASB Statement No. 89, "*Accounting for Interest Cost Incurred before the End of a Construction Period*", GASB Statement No. 91, "*Conduit Debt Obligations*", GASB Statement No. 92, "*Omnibus 2020*", GASB Statement No. 93, "*Replacement of Interbank Offered Rates (paragraphs 4-11a)*" and GASB Statement No. 97, "*Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*" in 2022. There was no impact in the financial statements based on the cumulative effect of these accounting changes.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Washington Central Unified Union School District's financial statements were:

3 Old Orchard Road, Buxton, Maine 04093  
Tel: (800) 300-7708 (207) 929-4606 Fax: (207) 929-4609  
[www.rhrsmith.com](http://www.rhrsmith.com)

- ☐ Depreciation expense which is based on the estimated useful lives of capital assets
- ☐ Pension and OPEB related assets, liabilities and expenses which are based on actuarial valuations
- ☐ Accrued compensation
- ☐ Retirement incentive
- ☐ Deferred revenues

Management's process for determining the above estimates is based on firm concepts and reasonable assumptions of both historical and future events. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements are reflected in the capital assets, other long-term obligations and fund balance footnotes.

The financial statement disclosures are neutral, consistent and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial and communicate them to the appropriate level of management. A schedule of any uncorrected misstatements has been presented to management with the management representation letter. We did not identify or propose any adjustments of misstatements as a result of audit procedures that were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 12, 2022.



*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Washington Central Supervisory Union’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Washington Central Unified Union School District’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

However, we noted certain other matters that we reported to management of the Washington Central Unified Union School District in a separate letter dated August 12, 2022.

Other Matters

We applied certain limited procedures to the Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, Schedule of Proportionate Share of the Net Pension Liability, Schedule of Contributions - Pensions, Schedule of Proportionate Share of the Net OPEB Liability, Schedule of Contributions - OPEB and Notes to Required Supplementary Information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements, capital asset schedules and schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the Washington Central Supervisory Union and is not intended to be and should not be, used by anyone other than these specified parties.

Very Best,

A handwritten signature in cursive script that reads "RHR Smith & Company". The letters are dark and fluid, with a stylized 'R' and 'H'.

RHR Smith & Company, CPAs

Federal Compliance Audit

**Washington Central Unified Union  
School District**

June 30, 2022



*Proven Expertise & Integrity*

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

CONTENTS

JUNE 30, 2022

	PAGE
INDEPENDENT AUDITOR'S REPORT	1 - 4
MANAGEMENT'S DISCUSSION AND ANALYSIS	5 - 13

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STATEMENT A - STATEMENT OF NET POSITION	14 - 15
STATEMENT B - STATEMENT OF ACTIVITIES	16 - 17

FUND FINANCIAL STATEMENTS

STATEMENT C - BALANCE SHEET - GOVERNMENTAL FUNDS	18
STATEMENT D - RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	19
STATEMENT E - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS	20
STATEMENT F - RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	21
STATEMENT G - STATEMENT OF NET POSITION - PROPRIETARY FUNDS	22
STATEMENT H - STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS	23
STATEMENT I - STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS	24
STATEMENT J - STATEMENT OF NET POSITION - FIDUCIARY FUNDS	25
STATEMENT K - STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS	26

NOTES TO FINANCIAL STATEMENTS	27 - 69
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REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION DESCRIPTION	70
SCHEDULE 1 - BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND	71
SCHEDULE 2 - SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	72
SCHEDULE 3 - SCHEDULE OF CONTRIBUTIONS - PENSIONS	73
SCHEDULE 4 - SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY	74
SCHEDULE 5 - SCHEDULE OF CONTRIBUTIONS - OPEB	75
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	76

OTHER SUPPLEMENTARY INFORMATION

OTHER SUPPLEMENTARY INFORMATION DESCRIPTION	77
SCHEDULE A - BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND REVENUES	78
SCHEDULE B - SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND	79
SCHEDULE C - COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS	80
SCHEDULE D - COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS	81
SPECIAL REVENUE FUNDS DESCRIPTION	82
SCHEDULE E - COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS	83 - 86

SCHEDULE F - COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS	87 - 90
PERMANENT FUNDS DESCRIPTION	91
SCHEDULE G - COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS	92
SCHEDULE H - COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR PERMANENT FUNDS	93
GENERAL CAPITAL ASSETS DESCRIPTION	94
SCHEDULE I - SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION	95
SCHEDULE J - SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION	96
<u>FEDERAL COMPLIANCE</u>	
FEDERAL COMPLIANCE DESCRIPTION	97
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	98
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	99
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 <i>GOVERNMENT AUDITING STANDARDS</i>	100 - 101
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	102 - 104
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	105



*Proven Expertise & Integrity*

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Washington Central Unified Union School District  
Montpelier, Vermont

### Report on the Audit of the Financial Statements

#### *Opinions*

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

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

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Washington Central Unified Union 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 Washington Central Unified Union 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.

## Auditors' Responsibilities for the Audit of Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Washington Central Unified Union School District's internal control. Accordingly, no such opinion is expressed.



- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise doubt about the Washington Central Unified Union School District's ability to continue as a going concern for a reasonable period of time.

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

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension and OPEB information on pages 5 through 13 and 71 through 76 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Washington Central Unified Union School District's basic financial statements. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements and capital asset schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other

records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements, capital asset schedules 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 December 1, 2022, on our consideration of the Washington Central Unified Union School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 Washington Central Unified Union 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 the Washington Central Unified Union School District's internal control over financial reporting and compliance.

*RHR Smith & Company*

Buxton, Maine  
Vermont Registration No. 092.0000697  
December 1, 2022

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

**(UNAUDITED)**

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

**Financial Statement Overview**

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

**Basic Financial Statements**

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

**Government-Wide Financial Statements**

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

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

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

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

- *Governmental activities* - The activities in this section are mostly supported by intergovernmental revenues (federal and state grants), support from the towns and charges for services. Most of the School District's basic services are reported in governmental activities, which include direct services, support services, fiscal services, operations and maintenance, transportation and program expenses.
- *Business-type activities* - These activities are normally intended to recover all or a significant portion of their costs through user fees and/or charges to external users for goods and/or services. The activity for the School District includes the child care fund, the food service fund and the internal service funds.

### **Fund Financial Statements**

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

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

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the

governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

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

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

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

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

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Statement of Changes in Net Position - Fiduciary Funds.

## **Required Supplementary Information**

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

## **Other Supplementary Information**

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regards to nonmajor funds, capital asset activity and other detailed budgetary information for the general fund.

## **Government-Wide Financial Analysis**

Our analysis below focuses on the net position and changes in net position of the School District's governmental and business-type activities. The School District's total net position for governmental activities increased by \$778,711 from \$28,305,051 to \$29,083,762. For business-type activities, the School District's total net position increased by \$61,988 from \$1,210,483 to \$1,272,471.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - ended the year for governmental activities with a balance of \$7,553,692. For business-type activities, the balance was \$319,984.

**Table 1**  
**Washington Central Unified Union School District**  
**Net Position**  
**June 30,**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Assets:</b>				
Current Assets	\$ 9,309,964	\$ 8,752,507	\$ 357,794	\$ 228,834
Noncurrent Assets - Capital Assets	30,859,947	31,448,383	952,487	1,003,155
Total Assets	<u>40,169,911</u>	<u>40,200,890</u>	<u>1,310,281</u>	<u>1,231,989</u>
<b>Deferred Outflows of Resources:</b>				
Deferred Outflows Related to Pensions	1,320,887	1,431,282	-	-
Total Deferred Outflows of Resources	<u>1,320,887</u>	<u>1,431,282</u>	<u>-</u>	<u>-</u>
<b>Liabilities:</b>				
Current Liabilities	1,117,217	1,275,246	17,579	15
Noncurrent Liabilities	10,054,289	11,593,549	-	-
Total Liabilities	<u>11,171,506</u>	<u>12,868,795</u>	<u>17,579</u>	<u>15</u>
<b>Deferred Inflows of Resources:</b>				
Deferred Revenues	551,837	453,338	20,231	21,491
Deferred Inflows Related to Pensions	683,693	4,988	-	-
Total Deferred Inflows of Resources	<u>1,235,530</u>	<u>458,326</u>	<u>20,231</u>	<u>21,491</u>
<b>Net Position:</b>				
Net Investment in Capital Assets	21,306,298	20,998,603	952,487	1,003,155
Restricted	223,772	156,240	-	-
Unrestricted	7,553,692	7,150,208	319,984	207,328
Total Net Position	<u>\$ 29,083,762</u>	<u>\$ 28,305,051</u>	<u>\$ 1,272,471</u>	<u>\$ 1,210,483</u>

### Revenues and Expenses

Revenues for the School District's governmental activities decreased by 8.45%, while total expenses decreased by 4.17%. The decrease in revenues was primarily due to decreases in operating grants and contributions from grants and contributions not restricted to specific programs. The largest decrease in expenses was in support services - instructional staff services, state on-behalf payments and program expenses.

Revenues for the School District's business-type activities increased by 3.92% while total expenses increased by 13.02%.

**Table 2**  
**Washington Central Unified Union School District**  
**Changes in Net Position**  
**For the Years Ended June 30,**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Revenues</b>				
<i>Program Revenues:</i>				
Charges for services	\$ 999,720	\$ 999,433	\$ 409,225	\$ 254,286
Operating grants and contributions	21,306,321	23,760,675	857,162	937,555
<i>General Revenues:</i>				
Grants and contributions not restricted to specific programs	32,609,678	35,252,488	-	-
Gain(loss) on capital assets	-	-	(5,634)	-
Miscellaneous	1,796,941	1,934,983	21,751	42,251
Total revenues	<u>56,712,660</u>	<u>61,947,579</u>	<u>1,282,504</u>	<u>1,234,092</u>
<b>Expenses</b>				
Direct services	18,267,451	18,045,742	-	-
Support services:				
Student and other support services	4,524,844	5,214,972	-	-
General administrative services	906,970	943,553	-	-
Area administrative services	2,514,354	2,486,206	-	-
Fiscal services	767,660	804,678	-	-
Operations and maintenance	2,957,133	2,716,119	-	-
Transportation	1,774,377	1,613,296	-	-
On-behalf payments	19,474,803	21,066,311	-	-
Program expenses	2,811,239	3,541,498	1,409,748	1,247,330
Interest on long-term debt	292,706	306,516	-	-
Unallocated depreciation	1,453,180	1,432,584	-	-
Total expenses	<u>55,744,717</u>	<u>58,171,475</u>	<u>1,409,748</u>	<u>1,247,330</u>
Excess (deficiency) of revenues over (under) expenses	<u>967,943</u>	<u>3,776,104</u>	<u>(127,244)</u>	<u>(13,238)</u>
Special and extraordinary items:				
Transfers	<u>(189,232)</u>	<u>(40,935)</u>	<u>189,232</u>	<u>40,935</u>
Total special and extraordinary items	<u>(189,232)</u>	<u>(40,935)</u>	<u>189,232</u>	<u>40,935</u>
Change in Net Position	778,711	3,735,169	61,988	27,697
Net Position - July 1	<u>28,305,051</u>	<u>24,569,882</u>	<u>1,210,483</u>	<u>1,182,786</u>
Net Position - June 30	<u>\$ 29,083,762</u>	<u>\$ 28,305,051</u>	<u>\$ 1,272,471</u>	<u>\$ 1,210,483</u>

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

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



**Table 3**  
**Washington Central Unified Union School District**  
**Fund Balances - Governmental Funds**  
**June 30, 2022**

	<u>2022</u>	<u>2021</u>	<u>Increase/ (Decrease)</u>
Major Funds:			
General Fund:			
Nonspendable	\$ 21,523	\$ -	\$ 21,523
Assigned	1,701,006	2,483,345	(782,339)
Unassigned	536,364	850,242	(313,878)
Total General Fund	<u>\$ 2,258,893</u>	<u>\$ 3,333,587</u>	<u>\$ (1,074,694)</u>
Construction Fund:			
Committed	\$ 5,256,769	\$ 3,817,378	\$ 1,439,391
Total Construction Fund	<u>\$ 5,256,769</u>	<u>\$ 3,817,378</u>	<u>\$ 1,439,391</u>
Total Major Funds	<u>\$ 7,515,662</u>	<u>\$ 7,150,965</u>	<u>\$ 364,697</u>
Nonmajor Funds:			
Special Revenue Funds:			
Restricted	\$ 217,871	\$ 150,467	\$ 67,404
Permanent Funds:			
Restricted	5,901	5,773	128
Total Nonmajor Funds	<u>\$ 223,772</u>	<u>\$ 156,240</u>	<u>\$ 67,532</u>

The changes in the general fund, construction fund, medicaid fund and nonmajor funds occurred due to regular activity of operations.

### **Budgetary Highlights**

There was no difference between the original and final budget for the general fund.

The general fund actual revenues were receipted under budgeted revenues by \$864,737. This was the result of all categories being receipted under budget except for charges for services.

The general fund actual expenditures exceeded budget by \$98,614. This was the result of support services - general administrative services and transfer to other funds exceeding budget with a partial offset from direct services.

## Capital Asset and Long-Term Debt Activity

### Capital Assets

As of June 30, 2022, the net book value of capital assets recorded by the School District by in the current year. This increase was due to net current year additions of \$895,351 less current year disposals of \$23,691 and current year depreciation expense of \$1,510,764.

**Table 4**  
**Washington Central Unified Union School District**  
**Capital Assets (Net of Depreciation)**  
**June 30,**

	<b>2022</b>	<b>2021</b>
Land	\$ 6,000	\$ 6,000
Construction in progress	97,257	215,675
Land improvements	2,463,549	2,218,789
Buildings and improvements	27,194,853	27,799,522
Infrastructure	468,027	482,260
Furniture, equipment and software	1,513,876	1,657,668
Vehicles	68,872	71,624
Total	<u>\$ 31,812,434</u>	<u>\$ 32,451,538</u>

### Debt

At June 30, 2022, the School District had \$9,553,649 in bonds and notes from direct borrowings payable versus \$10,449,780 in the prior fiscal year. Refer to Note 7 of Notes to Financial Statements for more detailed information.

### Currently Known Facts, Decisions or Conditions

The School District has noted a subsequent event as a currently known fact. Refer to Note 24 of Notes to Financial Statements for more detailed information.

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

The 2022-2023 budget could be impacted by the change in special education funding driven by the State of Vermont's passing of Act 173. Special education services will no longer be reimbursed to the school district. Instead, the district will receive a block grant for special education services. The reimbursement formula for extraordinary cost services also changed and is projected to offset decreases in revenue caused by the change to block grant funding. The full impact of this change will be dependent on actual special education services provided to students in 2022-2023.

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

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School District at 1130 Gallison Hill Road, Montpelier, Vermont 05602.

STATEMENT A

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

STATEMENT OF NET POSITION  
JUNE 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 7,868,782	\$ 28,051	\$ 7,896,833
Accounts receivable (net of allowance for uncollectible	707	61	768
Due from other governments	1,567,557	147,381	1,714,938
Inventory	-	33,696	33,696
Prepaid items	21,523	-	21,523
Internal balances	(148,605)	148,605	-
Total current assets	<u>9,309,964</u>	<u>357,794</u>	<u>9,667,758</u>
Noncurrent assets:			
Capital assets:			
Land and other assets not being depreciated	103,257	-	103,257
Land improvements, buildings, building improvements			
and other assets net of accumulated depreciation	<u>30,756,690</u>	<u>952,487</u>	<u>31,709,177</u>
Total noncurrent assets	<u>30,859,947</u>	<u>952,487</u>	<u>31,812,434</u>
TOTAL ASSETS	<u>40,169,911</u>	<u>1,310,281</u>	<u>41,480,192</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	<u>1,320,887</u>	<u>-</u>	<u>1,320,887</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>1,320,887</u>	<u>-</u>	<u>1,320,887</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 41,490,798</u>	<u>\$ 1,310,281</u>	<u>\$ 42,801,079</u>

STATEMENT A (CONTINUED)

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

STATEMENT OF NET POSITION  
JUNE 30, 2022

	Governmental Activities	Business-type Activities	Total
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 103,893	\$ 17,579	\$ 121,472
Accrued expenses	42,233	-	42,233
Due to other governments	80,362	-	80,362
Current portion of long-term obligations	890,729	-	890,729
Total current liabilities	<u>1,117,217</u>	<u>17,579</u>	<u>1,134,796</u>
Noncurrent liabilities:			
Noncurrent portion of long-term obligations:			
Bonds payable	8,703,804	-	8,703,804
Notes from direct borrowings payable	108,476	-	108,476
Accrued compensated absences	82,476	-	82,476
Net pension liability	1,159,533	-	1,159,533
Total noncurrent liabilities	<u>10,054,289</u>	<u>-</u>	<u>10,054,289</u>
<b>TOTAL LIABILITIES</b>	<u>11,171,506</u>	<u>17,579</u>	<u>11,189,085</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue	551,837	20,231	572,068
Deferred inflows related to pensions	683,693	-	683,693
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>1,235,530</u>	<u>20,231</u>	<u>1,255,761</u>
<b>NET POSITION</b>			
Net investment in capital assets	21,306,298	952,487	22,258,785
Restricted: Nonmajor special revenue fund	217,871	-	217,871
Nonmajor permanent fund	5,901	-	5,901
Unrestricted	7,553,692	319,984	7,873,676
<b>TOTAL NET POSITION</b>	<u>29,083,762</u>	<u>1,272,471</u>	<u>30,356,233</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$ 41,490,798</u>	<u>\$ 1,310,281</u>	<u>\$ 42,801,079</u>

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business - type Activities	Total
Governmental activities:							
Direct services	\$ 18,267,451	\$ 999,720	\$ -	\$ -	\$ (17,267,731)	\$ -	\$ (17,267,731)
Support services:							
Student and other support services	4,524,844	-	-	-	(4,524,844)	-	(4,524,844)
General administrative services	906,970	-	-	-	(906,970)	-	(906,970)
Area administrative services	2,514,354	-	-	-	(2,514,354)	-	(2,514,354)
Fiscal services	767,660	-	-	-	(767,660)	-	(767,660)
Operations and maintenance	2,957,133	-	-	-	(2,957,133)	-	(2,957,133)
Transportation	1,774,377	-	-	-	(1,774,377)	-	(1,774,377)
Program expenses	2,811,239	-	1,831,518	-	(979,721)	-	(979,721)
On-behalf payments	19,474,803	-	19,474,803	-	-	-	-
Interest on long-term debt	292,706	-	-	-	(292,706)	-	(292,706)
Unallocated depreciation (Note 5)*	1,453,180	-	-	-	(1,453,180)	-	(1,453,180)
Total governmental activities	55,744,717	999,720	21,306,321	-	(33,438,676)	-	(33,438,676)
Business-type activities:							
Child care	418,474	341,171	88,184	-	-	10,881	10,881
Food service	991,274	68,054	768,978	-	-	(154,242)	(154,242)
Total business-type activities	1,409,748	409,225	857,162	-	-	(143,361)	(143,361)
Total government	\$ 57,154,465	\$ 1,408,945	\$ 22,163,483	\$ -	(33,438,676)	(143,361)	(33,582,037)

STATEMENT B (CONTINUED)  
WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022

	Governmental Activities	Business-type Activities	Total
Changes in net position:			
Net (expense) revenue	<u>(33,438,676)</u>	<u>(143,361)</u>	<u>(33,582,037)</u>
General revenues:			
Grants and contributions not restricted to specific programs	32,609,678	-	32,609,678
Gain(loss) on capital assets	-	(5,634)	(5,634)
Miscellaneous	1,796,941	21,751	1,818,692
Total general revenues	<u>34,406,619</u>	<u>16,117</u>	<u>34,422,736</u>
Transfers	<u>(189,232)</u>	<u>189,232</u>	<u>-</u>
Change in net position	778,711	61,988	840,699
NET POSITION - JULY 1	<u>28,305,051</u>	<u>1,210,483</u>	<u>29,515,534</u>
NET POSITION - JUNE 30	<u>\$ 29,083,762</u>	<u>\$ 1,272,471</u>	<u>\$ 30,356,233</u>

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

STATEMENT C

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2022

	General Fund	Construction Fund	Medicaid Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,922,803	\$ 5,262,554	\$ -	\$ -	\$ 7,185,357
Accounts receivable (net of allowance for uncollectibles)	707	-	-	-	707
Due from other governments	714,118	-	-	853,439	1,567,557
Prepaid items	21,523	-	-	-	21,523
Due from other funds	754,541	-	372,410	373,424	1,500,375
<b>TOTAL ASSETS</b>	<b>\$ 3,413,692</b>	<b>\$ 5,262,554</b>	<b>\$ 372,410</b>	<b>\$ 1,226,863</b>	<b>\$ 10,275,519</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 26,485	\$ 5,785	\$ -	\$ 71,623	\$ 103,893
Accrued expenses	42,233	-	-	-	42,233
Due to other governments	80,362	-	-	-	80,362
Due to other funds	1,003,219	-	-	754,541	1,757,760
<b>TOTAL LIABILITIES</b>	<b>1,152,299</b>	<b>5,785</b>	<b>-</b>	<b>826,164</b>	<b>1,984,248</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred revenue	2,500	-	372,410	176,927	551,837
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>2,500</b>	<b>-</b>	<b>372,410</b>	<b>176,927</b>	<b>551,837</b>
<b>FUND BALANCES</b>					
Nonspendable	21,523	-	-	-	21,523
Restricted	-	-	-	223,772	223,772
Committed	-	5,256,769	-	-	5,256,769
Assigned	1,701,006	-	-	-	1,701,006
Unassigned	536,364	-	-	-	536,364
<b>TOTAL FUND BALANCES</b>	<b>2,258,893</b>	<b>5,256,769</b>	<b>-</b>	<b>223,772</b>	<b>7,739,434</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 3,413,692</b>	<b>\$ 5,262,554</b>	<b>\$ 372,410</b>	<b>\$ 1,226,863</b>	<b>\$ 10,275,519</b>

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



STATEMENT D

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Total Governmental Funds
Total Fund Balances	\$ 7,739,434
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	30,859,947
Deferred outflows of resources related to pensions are not financial resources and therefore are not reported in the funds	1,320,887
Long-term obligations shown below are not due and payable in the current period and therefore are not reported in the funds shown above:	
Bonds payable	(9,437,178)
Notes from direct borrowings payable	(116,471)
Accrued compensated absences	(86,817)
Retirement incentive	(145,019)
Net pension liability	(1,159,533)
Deferred inflows of resources related to pensions are not financial resources and therefore are not reported in the funds	(683,693)
Internal service fund net position is added to governmental activities	792,205
Net position of governmental activities	<u>\$ 29,083,762</u>

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	General Fund	Construction Fund	Medicaid Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Intergovernmental revenues	\$ 35,259,317	\$ -	\$ 266,018	\$ 1,565,500	\$ 37,090,835
Charges for services	999,720	-	-	-	999,720
Interest income	224,206	19,646	-	128	243,980
Miscellaneous revenues	317,907	-	-	161,218	479,125
<b>TOTAL REVENUES</b>	<b>36,801,150</b>	<b>19,646</b>	<b>266,018</b>	<b>1,726,846</b>	<b>38,813,660</b>
<b>EXPENDITURES</b>					
Current:					
Direct services	18,266,508	-	-	-	18,266,508
Support services:					
Student and other support services	4,524,844	-	-	-	4,524,844
General administrative services	906,970	-	-	-	906,970
Area administrative services	2,514,354	-	-	-	2,514,354
Fiscal services	767,660	-	-	-	767,660
Operations and maintenance	2,957,133	-	-	-	2,957,133
Transportation	1,774,377	-	-	-	1,774,377
On-behalf payments	2,649,639	-	-	-	2,649,639
Program expenses	-	-	266,018	1,659,197	1,925,215
Debt service:					
Principal	927,136	-	-	-	927,136
Interest	292,706	-	-	-	292,706
Capital outlay	-	805,255	-	-	805,255
<b>TOTAL EXPENDITURES</b>	<b>35,581,327</b>	<b>805,255</b>	<b>266,018</b>	<b>1,659,197</b>	<b>38,311,797</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,219,823</b>	<b>(785,609)</b>	<b>-</b>	<b>67,649</b>	<b>501,863</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	119,598	2,225,000	-	359,850	2,704,448
Transfers (out)	(2,414,115)	-	-	(359,967)	(2,774,082)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(2,294,517)</b>	<b>2,225,000</b>	<b>-</b>	<b>(117)</b>	<b>(69,634)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(1,074,694)</b>	<b>1,439,391</b>	<b>-</b>	<b>67,532</b>	<b>432,229</b>
<b>FUND BALANCES - JULY 1, RESTATED</b>	<b>3,333,587</b>	<b>3,817,378</b>	<b>-</b>	<b>156,240</b>	<b>7,307,205</b>
<b>FUND BALANCES - JUNE 30</b>	<b>\$ 2,258,893</b>	<b>\$ 5,256,769</b>	<b>\$ -</b>	<b>\$ 223,772</b>	<b>\$ 7,739,434</b>

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

Net change in fund balances - total governmental funds (Statement E)	<u>\$ 432,229</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset acquisitions	882,801
Capital asset disposals	(18,057)
Depreciation expense	<u>(1,453,180)</u>
	<u>(588,436)</u>
Deferred outflows of resources are a consumption of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds	<u>(110,395)</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position	<u>896,131</u>
Deferred inflows of resources are an acquisition of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds	<u>(678,705)</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	5,336
Retirement incentive	259,421
Net pension liability	<u>523,400</u>
	<u>788,157</u>
Internal service fund activity is classified as a governmental activity in the Statement of Activities	<u>39,730</u>
Change in net position of governmental activities (Statement B)	<u>\$ 778,711</u>

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
JUNE 30, 2022

	Enterprise Funds			Internal Service Funds		
	Child Care	Food Service	Total	Dental Plan	HRA Plan	Total
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents	\$ 24,067	\$ 3,984	\$ 28,051	\$ -	\$ 683,425	\$ 683,425
Accounts receivable (net of allowance for uncollectibles)	-	61	61	-	-	-
Due from other governments	-	147,381	147,381	-	-	-
Inventory	-	33,696	33,696	-	-	-
Due from other funds	107,647	40,958	148,605	123,678	(14,898)	108,780
Total current assets	131,714	226,080	357,794	123,678	668,527	792,205
Noncurrent assets:						
Capital assets:						
Building improvements	-	1,236,283	1,236,283	-	-	-
Equipment	-	556,866	556,866	-	-	-
Vehicles	-	18,689		-	-	-
Less: accumulated depreciation	-	(859,351)	(859,351)	-	-	-
Total noncurrent assets	-	952,487	952,487	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 131,714</b>	<b>\$ 1,178,567</b>	<b>\$ 1,310,281</b>	<b>\$ 123,678</b>	<b>\$ 668,527</b>	<b>\$ 792,205</b>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	\$ -	\$ 17,579	\$ 17,579	\$ -	\$ -	\$ -
Total current liabilities	-	17,579	17,579	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>17,579</b>	<b>17,579</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred revenue	-	20,231	20,231	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>20,231</b>	<b>20,231</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>						
Net investment in capital assets	-	952,487	952,487	-	-	-
Unrestricted	131,714	188,270	319,984	123,678	668,527	792,205
<b>TOTAL NET POSITION</b>	<b>131,714</b>	<b>1,140,757</b>	<b>1,272,471</b>	<b>123,678</b>	<b>668,527</b>	<b>792,205</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b>\$ 131,714</b>	<b>\$ 1,178,567</b>	<b>\$ 1,310,281</b>	<b>\$ 123,678</b>	<b>\$ 668,527</b>	<b>\$ 792,205</b>

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Enterprise Funds			Internal Service Funds		
	Child Care	Food Service	Total	Dental Plan	HRA Plan	Total
OPERATING REVENUES						
Intergovernmental	\$ 88,184	\$ 768,978	\$ 857,162	\$ -	\$ -	\$ -
Charges for services	341,171	68,054	409,225	-	-	-
Miscellaneous	-	21,751	21,751	264,305	802,165	1,066,470
TOTAL OPERATING REVENUES	<u>429,355</u>	<u>858,783</u>	<u>1,288,138</u>	<u>264,305</u>	<u>802,165</u>	<u>1,066,470</u>
OPERATING EXPENSES						
Salaries	325,990	420,789	746,779	-	-	-
Benefits	63,701	133,272	196,973	-	-	-
Professional services	5,143	1,198	6,341	205,673	704,639	910,312
Repairs	-	9,600	9,600	-	-	-
Supplies and food	5,140	368,831	373,971	1,100	1,100	2,200
Depreciation	-	57,584	57,584	-	-	-
Other	18,500	-	18,500	1,996	-	1,996
TOTAL OPERATING EXPENSES	<u>418,474</u>	<u>991,274</u>	<u>1,409,748</u>	<u>208,769</u>	<u>705,739</u>	<u>914,508</u>
OPERATING INCOME (LOSS)	<u>10,881</u>	<u>(132,491)</u>	<u>(121,610)</u>	<u>55,536</u>	<u>96,426</u>	<u>151,962</u>
NONOPERATING REVENUES (EXPENSES)						
Interest Income	-	-	-	3,300	4,066	7,366
Gain(loss) on capital assets	-	(5,634)	(5,634)	-	-	-
Transfers in	40,000	149,232	189,232	-	-	-
Transfers (out)	-	-	-	(42,371)	(77,227)	(119,598)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>40,000</u>	<u>143,598</u>	<u>183,598</u>	<u>(39,071)</u>	<u>(73,161)</u>	<u>(112,232)</u>
CHANGES IN NET POSITION	50,881	11,107	61,988	16,465	23,265	39,730
NET POSITION - JULY 1	<u>80,833</u>	<u>1,129,650</u>	<u>1,210,483</u>	<u>107,213</u>	<u>645,262</u>	<u>752,475</u>
NET POSITION - JUNE 30	<u>\$ 131,714</u>	<u>\$ 1,140,757</u>	<u>\$ 1,272,471</u>	<u>\$ 123,678</u>	<u>\$ 668,527</u>	<u>\$ 792,205</u>

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Enterprise Funds			Internal Service Funds		
	Child Care	Food Service	Total	Dental Plan	HRA Plan	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 341,171	\$ 99,186	\$ 440,357	\$ 264,305	\$ 802,165	\$ 1,066,470
Intergovernmental receipts	88,184	661,128	749,312	-	-	-
Internal activity - receipts (payments) from/to other funds	(35,288)	4,478	(30,810)	(16,465)	36,798	20,333
Payments to employees	(389,691)	(554,061)	(943,752)	-	-	-
Payments to suppliers	(28,783)	(345,334)	(374,117)	(208,769)	(705,739)	(914,508)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(24,407)	(134,603)	(159,010)	39,071	133,224	172,295
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest income	-	-	-	3,300	4,066	7,366
NET CASH PROVIDED BY INVESTING ACTIVITIES	-	-	-	3,300	4,066	7,366
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES						
Purchases of capital assets	-	(12,550)	(12,550)	-	-	-
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	-	(12,550)	(12,550)	-	-	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers in (out)	40,000	149,232	189,232	(42,371)	(77,227)	(119,598)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	40,000	149,232	189,232	(42,371)	(77,227)	(119,598)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	15,593	2,079	17,672	-	60,063	60,063
CASH AND CASH EQUIVALENTS - JULY 1	8,474	1,905	10,379	-	623,362	623,362
CASH AND CASH EQUIVALENTS - JUNE 30	\$ 24,067	\$ 3,984	\$ 28,051	\$ -	\$ 683,425	\$ 683,425
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
Operating income (loss)	\$ 10,881	\$ (132,491)	\$ (121,610)	\$ 55,536	\$ 96,426	\$ 151,962
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation expense	-	57,584	57,584	-	-	-
Changes in operating assets and liabilities:						
(Increase) decrease in accounts receivable	-	9,381	9,381	-	-	-
(Increase) decrease in due from other governments	-	(106,590)	(106,590)	-	-	-
(Increase) decrease in inventory	-	(5,169)	(5,169)	-	-	-
(Increase) decrease in prepaid items	-	21,900	21,900	-	-	-
(Increase) decrease in due from other funds	(35,288)	4,478	(30,810)	(16,465)	36,798	20,333
(Decrease) increase in accounts payable	-	17,564	17,564	-	-	-
(Decrease) increase in deferred revenue	-	(1,260)	(1,260)	-	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (24,407)	\$ (134,603)	\$ (159,010)	\$ 39,071	\$ 133,224	\$ 172,295

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

STATEMENT OF NET POSITION - FIDUCIARY FUNDS  
JUNE 30, 2022

	Private-Purpose Trust Funds <u>Total</u>
ASSETS	
Due from other governments	<u>\$ 80,362</u>
TOTAL ASSETS	<u>\$ 80,362</u>
LIABILITIES	
Accounts payable	<u>\$ -</u>
TOTAL LIABILITIES	<u>\$ -</u>
NET POSITION	
Restricted - held in trust	<u>\$ 80,362</u>
TOTAL NET POSITION	<u>\$ 80,362</u>

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

STATEMENT K

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Private-Purpose Trust Funds <u>Total</u>
ADDITIONS	
Revenues:	
Miscellaneous	\$ 1,350
Total contributions	<u>1,350</u>
Investment earnings:	
Income earned	<u>1,891</u>
Total investment earnings, net	<u>1,891</u>
Total additions	<u>3,241</u>
DEDUCTIONS	
Supplies	695
Miscellaneous	<u>4,460</u>
Total deductions	<u>5,155</u>
CHANGE IN NET POSITION	(1,914)
NET POSITION - JULY 1	<u>82,276</u>
NET POSITION - JUNE 30	<u>\$ 80,362</u>

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



WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity**

Washington Central Unified Union School District was incorporated under the laws in the State of Vermont. The School District operates under the Board of Directors-superintendent form of government and provides the following services: direct services, support services, fiscal services, operations and maintenance, transportation and program expenses.

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

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

**Implementation of New Accounting Standards**

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

Statement No. 87 "Leases". The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 89 "Accounting for Interest Cost Incurred before the End of a Construction Period". This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, *Codification of Accounting and Financial*

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Management has determined the impact of this Statement is not material to the financial statements.

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

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

Statement No. 93 "Replacement of Interbank Offered Rates (paragraphs 4-11a)". The primary objectives of paragraphs 4-11a concern hedging derivative instruments (specifically exceptions to termination of hedge accounting, modifications to hedged items, probability of expected transactions and appropriate benchmark interest rates). The objective of this Statement is to address the accounting and financial reporting effects that result from the replacement of IBORs with other reference rates in order to preserve the reliability, relevance, consistency and comparability of reported information. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 97 "Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans". The

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Management has determined the impact of this Statement is not material to the financial statements.

**Government-Wide and Fund Financial Statements**

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

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The School District's dental plan, HRA plan, child care fund and food service fund are categorized as business-type activities. All other activities of the School District are categorized as governmental.

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

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The net costs (by function) are normally covered by general revenue (taxes, certain intergovernmental revenues and charges for services, etc.).

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

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

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

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

1. Governmental Funds:

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

Major Funds:

- a. The General Fund is the general operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. The Construction Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment. The sources of revenues include bond proceeds and interfund transfers.
- c. The Medicaid Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Primary revenues sources are intergovernmental revenues.

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nonmajor Funds:

- d. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- e. Permanent Funds are used to account for assets held by the School District pursuant to a trust agreement. The principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund.

2. Proprietary Funds:

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

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.
- b. Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the School District on a cost-reimbursement basis. Because the principal users of the internal services are the School District's governmental activities, the financial statement of the internal service fund is consolidated into the governmental column when presented in the government-wide financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

resources, revenues or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

**Basis of Accounting**

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

1. Accrual

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

2. Modified Accrual

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

**Budget**

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

In accordance with Governmental Accounting Standards Board Statement No. 24, *Accounting and Reporting for Certain Grants and Other Financial Assistance*, payments made by the State of Vermont to the Vermont State Retirement System for teachers and certain other school employees are reported as offsetting revenues and expenditures of the general fund.

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues per budgetary basis	\$ 34,271,109
Add: On-behalf payments	<u>2,649,639</u>
Total GAAP basis	<u>\$ 36,920,748</u>
Expenditures per budgetary basis	\$ 35,345,803
Add: On-behalf basis	<u>2,649,639</u>
Total GAAP basis	<u>\$ 37,995,442</u>

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

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

**Deposits and Investments**

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

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

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Money market mutual funds

The Washington Central Unified Union School District has no formal investment policy but instead follows the State of Vermont Statutes.

**Receivables**

Receivables include amounts due from governmental agencies and local businesses. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2022. Accounts receivable netted with allowances for uncollectible accounts were \$1,715,706 for the year ended June 30, 2022.

**Inventories and Prepaid Items**

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

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

**Interfund Receivables and Payables**

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

**Transactions Between Funds**

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



WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Capital Assets**

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

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

Estimated useful lives are as follows:

Land improvements	20 - 50 years
Buildings and improvements	20 - 50 years
Infrastructure	20 - 50 years
Machinery, furniture and equipment	3 - 50 years
Vehicles	3 - 25 years

**Long-term Obligations**

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

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

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Pensions**

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

**OPEB**

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

**Net Position**

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

**Fund Balance**

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

**Deferred Outflows and Inflows of Resources**

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

**Program Revenues**

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

**Operating/Nonoperating Proprietary Fund Revenues**

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

**Encumbrance Accounting**

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

**Use of Estimates**

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS

**Deposits:**

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

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

At June 30, 2022, the School District's cash balance of \$7,896,833 was comprised of bank deposits of \$8,871,441. Bank deposits are adjusted primarily by outstanding checks and deposits in transit to reconcile to the School District's cash balance. Of these bank deposits, \$250,000 was fully insured by federal depository insurance and consequently was not exposed to custodial credit risk. The remaining balance of \$8,621,441 was collateralized with securities held by the financial institution in the School District's name.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 90,721
Repurchase agreement	8,780,720
	<u>\$ 8,871,441</u>

**Investments:**

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

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2022, the School District had no investments.

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

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

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

	Receivables (Due from)	Payables (Due to)
General fund	\$ 754,541	\$ 1,003,219
Medicaid fund	372,410	-
Enterprise funds	148,605	-
Internal service fund	108,780	-
Nonmajor special revenue funds	367,523	754,541
Nonmajor permanent funds	5,901	-
	<u>\$ 1,757,760</u>	<u>\$ 1,757,760</u>

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 4 - INTERFUND TRANSFERS

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

	Transfers From	Transfers To
General fund	\$ 2,414,115	\$ 119,598
Construction fund	-	2,225,000
Enterprise funds	-	189,232
Internal service funds	119,598	-
Nonmajor special revenue funds	359,967	359,850
	<u>\$ 2,893,680</u>	<u>\$ 2,893,680</u>

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

NOTE 5 - CAPITAL ASSETS

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

	Balance, 7/1/21	Additions	Disposals	Balance 6/30/22
<u>Governmental activities:</u>				
Non-depreciated assets:				
Land	\$ 6,000	\$ -	\$ -	\$ 6,000
Construction in progress	215,675	97,257	(215,675)	97,257
	<u>221,675</u>	<u>97,257</u>	<u>(215,675)</u>	<u>103,257</u>
Depreciated assets:				
Land improvements	2,924,509	363,552	-	3,288,061
Buildings and improvements	49,050,977	401,702	-	49,452,679
Infrastructure	587,043	-	-	587,043
Furniture, equipment and software	3,415,200	217,047	(153,315)	3,478,932
Vehicles	234,226	18,918	-	253,144
	<u>56,211,955</u>	<u>1,001,219</u>	<u>(153,315)</u>	<u>57,059,859</u>
Less: accumulated depreciation	<u>(24,985,247)</u>	<u>(1,453,180)</u>	<u>135,258</u>	<u>(26,303,169)</u>
	<u>31,226,708</u>	<u>(451,961)</u>	<u>(18,057)</u>	<u>30,756,690</u>
Net governmental capital assets	<u>\$ 31,448,383</u>	<u>\$ (354,704)</u>	<u>\$ (233,732)</u>	<u>\$ 30,859,947</u>

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 5 - CAPITAL ASSETS (CONTINUED)

	Balance 7/1/21	Additions	Disposals	Balance 6/30/22
<u>Business-type activities:</u>				
Depreciated assets:				
Buildings and improvements	\$ 1,236,283	\$ -	\$ -	\$ 1,236,283
Furniture, equipment and software	561,367	12,550	(17,051)	556,866
Vehicles	18,689	-	-	18,689
	1,816,339	12,550	(17,051)	1,811,838
Less: accumulated depreciation	(813,184)	(57,584)	11,417	(859,351)
Net business-type capital assets	<u>\$ 1,003,155</u>	<u>\$ (45,034)</u>	<u>\$ (5,634)</u>	<u>\$ 952,487</u>
<u>Current year depreciation:</u>				
Direct services				\$ 1,453,180
Total governmental activities depreciation				1,453,180
Business-type activities - food service				57,584
Total depreciation expense				<u>\$ 1,510,764</u>

NOTE 6 - SHORT TERM DEBT

On July 1, 2021 Washington Central Unified Union School District issued a tax/revenue anticipation note to provide liquidity for the governmental operations financed by property taxes. The tax/revenue anticipation note allowed for principal draws of up to \$9,924,185 with interest at 2.10% per annum and will mature on June 30, 2022. The note was paid in full by June 30, 2022 and interest expense for the note was \$207,837.

	Balance, 7/1/21	Additions	Reductions	Balance, 6/30/22
Tax/revenue anticipation note	\$ -	\$ 9,924,185	\$ (9,924,185)	\$ -

NOTE 7 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2022:

	Balance, 7/1/21	Additions	Deletions	Balance, 6/30/22	Current Year Portion
Bonds payable	\$ 10,325,551	\$ -	\$ (888,373)	\$ 9,437,178	\$ 733,374
Notes from direct borrowings payable	124,229	-	(7,758)	116,471	7,995
	<u>\$ 10,449,780</u>	<u>\$ -</u>	<u>\$ (896,131)</u>	<u>\$ 9,553,649</u>	<u>\$ 741,369</u>



# WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

### NOTE 7 - LONG-TERM DEBT (CONTINUED)

The following is a summary of the bonds and notes from direct borrowings payable as of June 30, 2022:

Bonds payable:

\$500,000 Community Bank, NA Qualified School Construction Bond due in one principal installment of \$500,000 in March of 2027 with a fixed interest rate at 1.00% annum payable semi-annually through March of 2027. Deposits of \$26,000 remitted annually into a sinking fund through March of 2027. Interest of 1.00% annum, applied to the sinking fund balance, payable semi-annually into the sinking fund through March of 2027. The sinking fund balance is irrevocably pledged to secure the principal payment of the bond at maturity. The annual deposit amount of \$26,000 will be increased to \$31,000 as of March 2020.	\$ 500,000
\$2,997,476 Community Bank, NA bond payable, with principal payments due in annual installments of \$149,874. Fixed interest rate of 2.99% paid semi-annually. The bond matures on December 31, 2036.	2,248,107
\$8,170,000 Community Bank, NA bond payable, with principal payments due in annual installments of \$408,500 and a principal pre-payment of \$79,429 in December of 2014 and a final principal payment of \$329,071 due in June of 2033. Interest at a fixed rate of 3.04% paid semi-annually. The bond matures June of 2033.	4,414,071
\$3,500,000 Community Bank, NA bond payable, with principal payments due in annual installments of \$175,000. Interest at a fixed rate of 2.75% paid semi-annually. The bond matures in December of 2034.	2,275,000
Total bonds payable	<u>\$ 9,437,178</u>

Notes from direct borrowings payable:

\$81,340 Vermont Municipal Bond Bank Vermont Environmental Protection Agency Drinking Water State Revolving Fund note payable, due in annual principal, interest and administrative fee installments of \$3,787 through April of 2037. Interest of 1.00% and administrative fees of 2.00% payable annually through September of 2037. In fiscal year 2017, \$25,000 of the principal balance of the loan was forgiven. Proceeds were originally borrowed for a municipal water connection project.	\$ 45,208
\$26,504 Vermont Environmental Protection Agency note payable, due in annual principal, interest and administrative fee installments of \$101. Interest at a fixed rate of 1.00% and an administrative fee of 2.00% is charged per annum. In fiscal year 2009, an ARRA Subsidy for \$25,000 was received and applied towards the principal amount due. The note matures in January of 2033.	936
\$57,612 Vermont Environmental Protection Agency note payable, due in annual principal, interest and administrative fee installments of \$3,872. Interest at a fixed rate of 1.00% and an administrative fee of 2.00% is charged per annum. In fiscal year 2014, an ARRA Subsidy for \$25,000 was received and applied towards the principal amount due. The note matures in January of 2033.	35,830
\$55,468 Vermont Environmental Protection Agency note payable, due in annual principal, interest and administrative fee installments of \$3,728. Interest at a fixed rate of 1.00% and an administrative fee of 2.00% is charged per annum. On March 3, 2014 the note payable was amended, reducing the principal amount by \$22,660 and \$73,527, to reflect loan forgiveness and an ARRA subsidy, respectively. The proceeds from the note were used to finance a water project. The note matures on January 1, 2033.	34,497
Total notes from direct borrowings payable	<u>\$ 116,471</u>
Total bonds and notes payable	<u>\$ 9,553,649</u>

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 7 - LONG-TERM DEBT (CONTINUED)

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

Year Ending June 30,	Bonds Payable		Notes from Direct Borrowings Payable		Total Debt
	Principal	Interest	Principal	Interest	
2023	\$ 733,374	\$ 266,570	\$ 7,995	\$ 2,804	\$ 1,010,743
2024	733,373	245,335	8,234	2,618	989,560
2025	733,374	223,304	8,482	2,427	967,587
2026	733,373	201,433	8,736	2,229	945,771
2027	1,233,374	179,720	8,998	2,026	1,424,118
2028-2032	3,666,869	548,422	49,205	6,803	4,271,299
2033-2037	1,603,441	98,972	24,821	1,744	1,728,978
	<u>\$ 9,437,178</u>	<u>\$ 1,763,756</u>	<u>\$ 116,471</u>	<u>\$ 20,651</u>	<u>\$ 11,338,056</u>

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

NOTE 8 - OTHER LONG-TERM OBLIGATIONS

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

	Balance, 7/1/21	Additions	Deletions	Balance, 6/30/22	Current Year Portion
Accrued compensated absences	\$ 92,153	\$ -	\$ (5,336)	\$ 86,817	\$ 4,341
Retirement incentive	404,440	-	(259,421)	145,019	145,019
Net pension liability	1,682,933	479,266	(1,002,666)	1,159,533	-
Total	<u>\$ 2,179,526</u>	<u>\$ 479,266</u>	<u>\$ (1,267,423)</u>	<u>\$ 1,391,369</u>	<u>\$ 149,360</u>

Please see Notes 9, 10 and 18 for detailed information on each of the other long-term obligations.

NOTE 9 - ACCRUED COMPENSATED ABSENCES

The School District's policies regarding vacation and sick time do permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as long-term obligations in the government-wide

# WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

### NOTE 9 - ACCRUED COMPENSATED ABSENCES (CONTINUED)

financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2022, the School District's liability for compensated absences is \$86,817.

### NOTE 10 - RETIREMENT INCENTIVE

The Board of the School District is offering an early retirement incentive to eligible support staff and teacher/professional staff who elect to resign effective June 30, 2022. This program is offered to individuals with at least 15 years of full or part-time service by July 1, 2020 and a combination of age plus years of service at the School District must equal 70 or more by July 1, 2020. The incentive is a cash payout of 50% of the final year base contract salary to be paid out in 3 equal annual installments. The retirement incentive includes 12 months of single health insurance coverage in the Gold CDHP Health Plan at the regular member's share of the premium or for teachers, receive 20% of the member's share of the single health insurance premium for the VSTRS health insurance program or for support staff, receive 20% of the member's share of the single health insurance premium in an alternative health insurance plan or Medicare. As of June 30, 2022, the School District's liability for the retirement incentive is \$145,019.

### NOTE 11 - OPERATING LEASES

A summary of the outstanding operating leases payable is as follows:

Washington Central UUSD leases a postage meter from Quadient Leasing, under a lease agreement dated November 5, 2020. The lease term is for 39 months ending in January of 2024. Monthly payments are \$40.	760
Washington Central UUSD leases a postage meter from Quadient Leasing, under a lease agreement dated November 12, 2020. The lease term is for 63 months ending in January of 2026. Monthly payments are \$146.	<u>6,294</u>
	<u>\$ 7,054</u>

Future minimum lease payments at June 30, 2022, are as follows:

Year Ending June 30:	
2023	\$ 2,236
2024	2,036
2025	1,757
2026	<u>1,025</u>
Total lease payments	<u>\$ 7,054</u>

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 12 - NET INVESTMENT IN CAPITAL ASSETS

At June 30, 2022, the School District had the following net investments in capital assets:

	Governmental	Business-Type
Investment in capital assets	\$ 57,163,116	\$ 1,811,838
Accumulated depreciation	(26,303,169)	(859,351)
Outstanding capital related debt	<u>(9,553,649)</u>	<u>-</u>
	<u>\$ 21,306,298</u>	<u>\$ 952,487</u>

NOTE 13 - RESTRICTED NET POSITION AND RESTRICTED FUND BALANCE

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

Nonmajor special revenue fund:	
Student activities	\$ 217,871
Nonmajor permanent fund:	
Music - Bellemeur fund	<u>5,901</u>
	<u>\$ 223,772</u>

NOTE 14 - NONSPENDABLE FUND BALANCE

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

General fund:	
Prepaid items	<u>\$ 21,523</u>

NOTE 15 - COMMITTED FUND BALANCE

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

Construction fund	<u>\$ 5,256,769</u>
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WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 16 - ASSIGNED FUND BALANCE

At June 30, 2022, the School District had the following assigned fund balance:

General fund:

Reserved for technology equipment	\$ 357,928
Reserved for fiscal software and related costs	309,000
Reserved for early retirement	145,019
Reserved for EMES classroom teacher	91,699
Reserved for equity services	88,750
Reserved for targeted fund balance	708,610
	<u>\$ 1,701,006</u>

NOTE 17 - FINANCIAL INFORMATION

The detailed budget to actual report can be found on Schedules 1, A and B.

NOTE 18 - DEFINED BENEFIT PENSION PLANS

VERMONT STATE TEACHERS' RETIREMENT SYSTEM

**Plan Description**

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

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 18 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

The general administration and responsibility for formulating administrative policy and procedures of the retirement System for its members and their beneficiaries is vested in the Board of Trustees consisting of six members. They are the Secretary of Education (ex-officio), the State Treasurer (ex-officio), the Commissioner of Financial Regulation (ex-officio), two members and one alternate elected by active members of the System under rules adopted by the Board and one retired member and one alternate elected by the board of directors of Association of Retired Teachers of Vermont. The Chair is elected by the Board and acts as executive officer of the Board.

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

**Benefits Provided**

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

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 18 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

<b>VSTRS</b>	<b>Group A</b>	<b>Group C – Group # 1</b>	<b>Group C – Group # 2</b>
Normal service retirement eligibility (no reduction)	Age 60 or 30 years of service	Age 62 or with 30 years of service	Age 65 or when the sum of age and service equals 90
Average Final Compensation (AFC)	Highest 3 consecutive years, including unused annual leave, sick leave and bonus/incentives	Highest 3 consecutive years, excluding all payments for anything other than service actually performed	Highest 3 consecutive years, excluding all payments for anything other than service actually performed
Benefit formula - normal service retirement	1.67% x creditable service x AFC	1.25% x service prior to 7/1/90 x AFC + 1.67% x service after 7/1/90 x AFC	1.25% x service prior to 7/1/90 x AFC + 1.67% x service after 7/1/90 x AFC, 2.0% after attaining 20 years
Maximum Benefit Payable	100% of AFC	53.34% of AFC	60% of AFC
Post-Retirement COLA	Full CPI, up to a maximum of 5% after 12 months of retirement; minimum of 1%	50% CPI, up to a maximum of 5% after 12 months of retirement or with 30 years; minimum of 1%	50% CPI, up to a maximum of 5%, minimum of 1% after 12 months of normal retirement or age 65
Early Retirement Eligibility	Age 55 with 5 years of service	Age 55 with 5 years of service	Age 55 with 5 years of service
Early Retirement Reduction	Actuarial reduction	6% per year from age 62	Actuarial reduction

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

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 18 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

**Contributions**

VSTRS is a cost-sharing public employee retirement system with one exception: all risks and costs are not shared by the School District but are the liability of the State of Vermont. VSTRS is funded through State and employee contributions and trust fund investment earnings; and the School District has no legal obligation for paying benefits. Required contributions to the System are made by the State of Vermont based upon a valuation report prepared by the System's actuary, which varies by plan group. The Vermont State Teachers Retirement System estimates the contributions on behalf of the School District's employees included in the teacher's retirement plan which approximates \$2,691,861 or 19.28% of total payroll for employees covered under the plan.

Employee contribution rates by plan group follow:

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

Employee contributions totaled \$748,661 during the year and were paid by the School District to the State of Vermont. The School District has no other liability under the plan. The School District's total payroll for all employees covered under this plan was \$13,742,939 for the year ended June 30, 2022. Beginning in 2016, school districts that pay for teachers with federal dollars are required to include costs of pensions in the federal grant, lowering the liability for the State. Federally funded pension costs reimbursed to the State by the Supervisory Union for the fiscal year ending June 30, 2022 were \$164,969. The Supervisory Union's total payroll for all federally funded employees covered under this plan was \$855,653 for the year ended June 30, 2022.

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

**Plan Description**

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



WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 18 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

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

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

**Benefits Provided**

The pension plan is divided into four membership groups:

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 18 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

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

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 18 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

VMERS	Group A	Group B	Group C	Group D
Early Retirement Eligibility	Age 55 with 5 years of service	Age 55 with 5 years of service	N/A	Age 50 with 20 years of service
Early Retirement Reduction	6% per year from age 65 **	6% per year from age 62 **	N/A	No reduction

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

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

**Contributions**

Title 24 VSA Chapter 125 of Vermont Statutes grants the authority to the Retirement Board to annually review the amount of municipalities' contributions as recommended by the actuary of the retirement system in order to achieve and preserve the financial integrity of the fund and to certify the rates of contributions payable by employers. The Board of Trustees also certifies the rates of contribution payable by employees. Contribution rates for each group as of July 1, 2021 are as follows:

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

Employee contributions are withheld pre-income tax by the School District and are remitted to the State of Vermont. Such withholdings for the year ended June 30, 2022 totaled \$191,226. The School District contributed \$213,566 for the year ended June 30, 2022. The School District's total payroll for the year ended June 30, 2022 for all employees covered under this plan was \$3,440,065.

**Pension Liabilities**

*VSTRS Plan*

The State is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of member employers.

# WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

### NOTE 18 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

District's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the District	<u>33,165,771</u>
Total	<u>\$ 33,165,771</u>

The State of Vermont's proportionate share of the net pension liability associated with the School District is equal to the collective net pension liability, actuarially measured as of June 30, 2021, multiplied by the School District's proportionate share percentage. The School District's proportionate share percentage was based on its reported salaries to the total reported salaries for all participating employers. At June 30, 2021, the School District's proportion was 1.95612% which was an increase of 0.14284% from its proportion measured as of June 30, 2020.

#### *VMERS Plan*

At June 30, 2022, the School District reported a liability of \$1,159,533 for its proportionate share of the net pension liabilities for each plan. The net pension liabilities were measured as of June 30, 2021 and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of June 30, 2020. The School District's proportion of the net pension liabilities were based on a projection of the School District's long-term share of contributions to each pension plan relative to the projected contributions of all participating towns, actuarially determined.

At June 30, 2021, the School District's proportion was 0.78781% for VMERS, which was an increase of 0.12255% from its proportion measured as of June 30, 2020 for VMERS.

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

For the year ended June 30, 2022, the School District recognized total pension

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 18 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

expense of \$10,993,482 and revenue of \$10,993,482 for support provided by the State of Vermont for the VSTRS plan. In the same period, the School District recognized pension expense of \$265,700 for the VMERS plan. At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	VSTRS		VMERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -	\$ 216,116	\$ 683,693
Changes of assumptions	-	-	183,282	-
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-	707,923	-
Contributions subsequent to the measurement date	-	-	213,566	-
Total	\$ -	\$ -	\$ 1,320,887	\$ 683,693

\$213,566 reported as deferred outflows of resources related to pensions resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	VSTRS	VMERS
Plan year ended June 30:		
2022	\$ -	\$ 221,607
2023	-	194,957
2024	-	149,384
2025	-	(142,321)
2026	-	-
Thereafter	-	-

**Significant Actuarial Assumptions and Methods**

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 18 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

*Inflation:* For both plans, 2.30%.

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

*Deaths After Retirement:*

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

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

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

*Pre-Retirement:*

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 18 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

*Healthy Post-Retirement - Retirees:*

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

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

*Disabled Post-Retirement:*

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

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

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

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

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

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

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 18 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

who elect reduced early retirement, at age 62 for Group A, B and D members who receive a disability retirement benefit and at age 55 for members of Group C who receive a disability retirement benefit). The January 1, 2021 COLA is 0.40% for all groups. The January 1, 2022 COLA is 2.00% for Group A members and 2.30% for Group B, C and D members.

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

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

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

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

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



WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 18 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

**Discount Rate**

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

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

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.00% for both the VSTRS and VMERS plans, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 18 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

	1% Decrease	Discount Rate	1% Increase
<u>VSTRS:</u>			
Discount rate	6.00%	7.00%	8.00%
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
<u>VMERS:</u>			
Discount rate	6.00%	7.00%	8.00%
District's proportionate share of the net pension liability	\$ 2,291,884	\$ 1,159,533	\$ 228,410

**Pension Plan Fiduciary Net Position**

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

NOTE 19 - DEFINED CONTRIBUTION PLAN

**Plan Description**

The School District offers its employees a defined contribution plan created in accordance with Internal Revenue Code Section 403(b). At June 30, 2022, there were 51 plan members. The plan is administered by TD Wealth Management.

**Funding Policy**

Plan provisions and contribution requirements are established and may be amended by the Board of Directors. Under the 403 Plan, the School District is required to contribute 6.25% of a participant's earnings for the plan year, with no required match from the participant, one time per year, after the end of the fiscal year and no later than September 30, of the next year. For the year ended June 30, 2022, the School District contribution to this plan was \$88,193.

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 19 - DEFINED CONTRIBUTION PLAN (CONTINUED)

Employees are immediately vested in their own contributions and earnings on those contributions and become vested in School District contributions and earnings on School District contributions after completion of 12 months of creditable service with the School District. Non-vested School District contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the pension plan's administrative expenses. There were no forfeitures of non-vested contributions for the year ended June 30, 2022.

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

VERMONT STATE TEACHERS' RETIREMENT SYSTEM

**Plan Description**

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

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

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

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

**Benefits Provided**

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

**Contributions**

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

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

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

Premium Reduction Option: Participants retiring on or after January 1, 2007 with a VSTRS premium subsidy have a one-time option to reduce the VSTRS subsidy percentage during the retiree's life so that a surviving spouse may continue to receive the

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

same VSTRS subsidy for the spouse's lifetime. If the retiree elects the joint and survivor pension option but not the Premium Reduction Option, spouses are covered for the spouse's lifetime but pay 100% of the plan premium after the retiree's death.

Retirees pay full cost of dental benefits.

**OPEB Liabilities**

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

District's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the District	<u>24,364,326</u>
Total	<u>\$ 24,364,326</u>

The State of Vermont's proportionate share of the net OPEB liability associated with the School District is equal to the collective net OPEB liability, actuarially measured as of June 30, 2021, multiplied by the School District's proportionate share percentage. The School District's proportionate share percentage was based on its reported salaries to the total reported salaries for all participating employers. At June 30, 2021, the School District's proportion was 1.91005% which was an increase of 0.08291% from its proportion measured as of June 30, 2020.

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

For the year ended June 30, 2022, the School District recognized total OPEB expense of \$5,831,682 and revenue of \$5,831,682 for support provided by the State of Vermont for the Plan. At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

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

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

**Discount Rate**

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

**Healthcare Trend Rate**

Health care trend measures the anticipated overall rate at which health plan costs are expected to increase in future years. The trend rate assumptions were developed using Segal's internal guidelines, which are established each year using data sources such as the 2020 Segal Health Trend Survey, internal client results, trends from other published surveys prepared by the S&P Dow Jones Indices, consulting firms and brokers and CPI statistics published by the Bureau of Labor Statistics. The sensitivity of net OPEB liability to changes in healthcare trend rates are as follows:

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

**Actuarial Methods and Assumptions**

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

*Actuarial Cost Method*

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

*Amortization*

The total OPEB liability of this Plan is amortized on a closed 30-year period. The amortization method is a level percent of payroll method. As of July 1, 2021, there is 27 years remaining on the amortization period.

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

*Asset Valuation Method*

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

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

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

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

*Assumptions*

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

Discount Rate	2.20%
Salary Increase Rate	Varies by age



WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Non-Medicare	6.700% graded to 4.50% over 10 years
Medicare	6.000% graded to 4.50% over 11 years
Retiree Contributions	Equal to health trend
Pre-retirement Mortality	PubT-2010 Teacher Employee Headcount- Weighted Table with generational projection using scale MP-2019
Post-retirement Mortality	Retirees: PubT-2010 Teacher Healthy Retiree Headcount-Weighted Table Spouses: 109 % of the Pub-2010 Contingent Survivor Headcount-Weighted Table, both Retirees and Spouses with generational projection using scale MP-2019

**Changes in Net OPEB Liability**

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

*Changes in Assumptions*

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

**OPEB Plan Fiduciary Net Position**

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 21 - RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees, students and guests; as well as natural disasters for which the School District either carries commercial insurance, participates in a public entity risk pool or is effectively self-insured. There have been no significant reductions in coverage from the prior year. Management believes such coverage is sufficient to preclude any significant uninsured losses to the School District.

The School District is a member of the Vermont School Boards Association. The Association has set up two insurance Trusts; Vermont School Boards Insurance Trust, Inc. (VSBIT) for worker compensation, multi-line intermunicipal school program and unemployment compensation program and the Vermont Education Health Initiative (VEHI) for medical benefits. VSBIT and VEHI are nonprofit corporations formed to provide insurance and risk management programs for Vermont School Districts and is owned by the participating School Districts. The Trusts are not licensed insurance carriers and members are not protected by the Vermont Insurance Guaranty Association.

To provide insurance coverage, VEHI has established a self-funded fully insured program in conjunction with Blue Cross and Blue Shield (BCBS). A portion of member contributions is used to purchase reinsurance and to fund a reserve required by the reinsurance. Contributions in excess of claims requirements, reserve fund requirements, reinsurance and administrative costs are returned to participants. The pooling agreement does not permit the pool to make additional assessments to its members.

Multi-Line Intermunicipal School Program provides coverage for property; inland marine and boiler and machinery; crime; commercial general liability; automobile/garagekeepers; and educators legal liability. Annual contributions are based upon appropriate rates applicable to each member; such rates are set based on recommendations of a qualified actuary, plus a proportionate share of all operational and administrative cost including excess reinsurance premiums incurred by the trust. In the event that total contributions assessed to and made by all members result in an actual or projected financial deficit and VSBIT is unable to meet its required obligations, the program will be terminated with each member assessed their proportionate share of the deficit.

NOTE 22 - CONTINGENCIES

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022

NOTE 22 - CONTINGENCIES (CONTINUED)

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

NOTE 23 - COMPARATIVE DATA/RECLASSIFICATIONS

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

NOTE 24 - SUBSEQUENT EVENT

On July 1, 2022 Washington Central Unified Union School District issued a tax/revenue anticipation note to provide liquidity for the governmental operations financed by property taxes. The tax/revenue anticipation note allowed for principal draws of up to \$8,313,020 with interest at 1.45% per annum and will mature on June 30, 2023.

## Required Supplementary Information

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

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1	\$ 3,333,587	\$ 3,333,587	\$ 3,333,587	\$ -
Resources (Inflows):				
Intergovernmental:				
State revenues	33,308,915	33,389,513	32,609,678	(779,835)
Charges for services	908,468	908,468	999,720	91,252
Interest income	283,755	229,238	224,206	(5,032)
Miscellaneous	220,213	345,029	317,907	(27,122)
Transfers from other funds	263,598	263,598	119,598	(144,000)
Amounts Available for Appropriation	<u>38,318,536</u>	<u>38,469,433</u>	<u>37,604,696</u>	<u>(864,737)</u>
Charges to Appropriations (Outflows):				
Direct services	19,597,043	19,306,499	18,266,508	1,039,991
Support services:				
Student and other support services	4,615,417	4,696,864	4,524,844	172,020
General administrative services	711,813	886,434	906,970	(20,536)
Area administrative services	2,516,640	2,527,060	2,514,354	12,706
Fiscal services	786,087	781,346	767,660	13,686
Operations and maintenance	2,963,117	2,968,381	2,957,133	11,248
Transportation	1,657,557	1,943,330	1,774,377	168,953
Debt service:				
Principal	927,136	927,136	927,136	-
Interest	296,024	296,024	292,706	3,318
Transfers to other funds	914,115	914,115	2,414,115	(1,500,000)
Total Charges to Appropriations	<u>34,984,949</u>	<u>35,247,189</u>	<u>35,345,803</u>	<u>(98,614)</u>
Budgetary Fund Balance, June 30	<u>\$ 3,333,587</u>	<u>\$ 3,222,244</u>	<u>\$ 2,258,893</u>	<u>\$ (963,351)</u>
Utilization of assigned fund balance	<u>\$ -</u>	<u>\$ 111,343</u>	<u>\$ -</u>	<u>\$ (111,343)</u>

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	2022	2021	2020	2019	2018	2017	2016	2015
<u>VSTRS:</u>								
Proportion of the net pension liability	1.96%	1.81%	1.85%	2.52%	1.96%	1.78%	1.59%	1.05%
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the District	33,165,771	35,379,511	28,873,426	26,891,231	27,250,562	22,608,616	18,837,133	17,213,598
Total	<u>\$ 33,165,771</u>	<u>\$ 35,379,511</u>	<u>\$ 28,873,426</u>	<u>\$ 26,891,231</u>	<u>\$ 27,250,562</u>	<u>\$ 22,608,616</u>	<u>\$ 18,837,133</u>	<u>\$ 17,213,598</u>
Covered payroll	\$ 14,167,688	\$ 13,225,466	\$ 12,712,780	\$ 12,033,737	\$ 12,133,702	\$ 11,579,824	\$ 8,854,073	\$ 10,040,259
Proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	58.83%	50.00%	54.96%	54.81%	53.98%	55.31%	58.22%	64.02%
<u>VMERS:</u>								
Proportion of the net pension liability	0.79%	0.67%	0.39%	0.36%	0.37%	0.37%	0.33%	0.28%
Proportionate share of the net pension liability	\$ 1,159,533	\$ 1,682,933	\$ 677,286	\$ 510,283	\$ 444,252	\$ 472,604	\$ 253,954	\$ 25,564
Covered payroll	\$ 2,952,439	\$ 2,436,173	\$ 1,419,292	\$ 1,253,308	\$ 1,176,437	\$ 1,101,000	\$ 931,000	\$ 717,914
Proportionate share of the net pension liability as a percentage of its covered payroll	39.27%	69.08%	47.72%	40.71%	37.76%	42.92%	27.28%	3.56%
Plan fiduciary net position as a percentage of the total pension liability	89.29%	74.52%	80.35%	82.60%	83.64%	80.95%	87.42%	98.32%

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

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

SCHEDULE OF CONTRIBUTIONS - PENSIONS  
LAST 10 FISCAL YEARS\*

	2022	2021	2020	2019	2018	2017	2016	2015
<u>VSTRS:</u>								
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 13,742,939	\$ 14,167,688	\$ 13,225,466	\$ 12,712,780	\$ 12,033,737	\$ 12,133,702	\$ 11,579,824	\$ 8,854,073
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<u>VMERS:</u>								
Contractually required contribution	\$ 213,566	\$ 175,157	\$ 137,878	\$ 74,468	\$ 72,450	\$ 59,882	\$ 55,813	\$ 46,046
Contributions in relation to the contractually required contribution	(213,566)	(175,157)	(137,878)	(74,468)	(72,450)	(59,882)	(55,813)	(46,046)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 3,440,065	\$ 2,952,439	\$ 2,436,173	\$ 1,419,292	\$ 1,253,308	\$ 1,176,437	\$ 1,101,000	\$ 931,000
Contributions as a percentage of covered payroll	6.21%	5.93%	5.66%	5.25%	5.78%	5.09%	5.07%	4.95%

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

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	2022	2021	2020	2019	2018	2017
<u>VSTRS OPEB Plan:</u>						
Proportion of the net OPEB liability	1.91%	1.83%	1.92%	1.84%	1.87%	0.78%
School District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the School District	24,364,326	23,011,027	19,958,444	17,519,695	17,350,212	-
Total	<u>\$ 24,364,326</u>	<u>\$ 23,011,027</u>	<u>\$ 19,958,444</u>	<u>\$ 17,519,695</u>	<u>\$ 17,350,212</u>	<u>\$ -</u>
Covered payroll	\$ 14,167,688	\$ 13,225,466	\$ 12,712,780	\$ 12,033,737	\$ 12,133,702	\$ 11,579,824
Proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	1.13%	0.69%	0.03%	-2.85%	-2.94%	0.00%

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

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



## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

SCHEDULE OF CONTRIBUTIONS - OPEB  
LAST 10 FISCAL YEARS\*

	2022	2021	2020	2019	2018	2017
<u>VSTRS OPEB Plan:</u>						
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 13,742,939	\$ 14,167,688	\$ 13,225,466	\$ 12,712,780	\$ 12,033,737	\$ 12,133,702
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

**Changes of Assumptions**

VSTRS Pension Plan:

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

VMERS Pension Plan:

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

VSTRS OPEB Plan:

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

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

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

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

### Other Supplementary Information

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

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues
- Schedule of Departmental Operations - General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet - Nonmajor Permanent Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Permanent Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Original Budget	Final Budget	Actual Amounts	Variance Positive (Negative)
Resources (Inflows):				
Intergovernmental revenues:				
State revenue:				
Education spending grant	\$ 27,535,603	\$ 27,535,603	\$ 27,535,603	\$ -
Tech center grant	256,688	256,688	256,688	-
Small schools grant	171,302	171,302	171,302	-
Special education mainstream block grant	568,420	568,420	568,420	-
Special education reimbursement	3,039,841	3,094,275	2,790,149	(304,126)
Extraordinary reimbursement	626,289	652,453	431,093	(221,360)
State placed reimbursements	373,790	373,790	144,928	(228,862)
Early essential education	105,049	105,049	105,049	-
Transportation reimbursement	615,933	615,933	588,781	(27,152)
Other	16,000	16,000	17,665	1,665
Charges for services:				
Tuition	908,468	908,468	999,720	91,252
Interest income	283,755	229,238	224,206	(5,032)
Miscellaneous:				
Special education	76,371	76,371	69,408	(6,963)
Other receipts	143,842	268,658	248,499	(20,159)
Transfers from other funds	263,598	263,598	119,598	(144,000)
Amounts Available for Appropriation	<u>\$ 34,984,949</u>	<u>\$ 35,135,846</u>	<u>\$ 34,271,109</u>	<u>\$ (864,737)</u>

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Direct services:				
Instructional services	\$ 12,506,668	\$ 12,335,999	\$ 12,017,726	\$ 318,273
Special education	6,366,673	6,242,588	5,537,811	704,777
Co-curricular	723,702	727,912	710,971	16,941
Total direct services	<u>19,597,043</u>	<u>19,306,499</u>	<u>18,266,508</u>	<u>1,039,991</u>
Support services:				
Support services students	2,261,001	2,240,505	2,140,896	99,609
Other support services	2,354,416	2,456,359	2,383,948	72,411
Total support services	<u>4,615,417</u>	<u>4,696,864</u>	<u>4,524,844</u>	<u>172,020</u>
General administration:				
Board of education	207,338	219,798	255,510	(35,712)
Office of the superintendent	504,475	666,636	651,460	15,176
Total general administration	<u>711,813</u>	<u>886,434</u>	<u>906,970</u>	<u>(20,536)</u>
Area administration:				
Office of the principal	2,116,809	2,117,605	2,115,838	1,767
Special area administrative services	399,831	409,455	398,516	10,939
Fiscal services	786,087	781,346	767,660	13,686
Total area administration	<u>3,302,727</u>	<u>3,308,406</u>	<u>3,282,014</u>	<u>26,392</u>
Operations and maintenance	<u>2,963,117</u>	<u>2,968,381</u>	<u>2,957,133</u>	<u>11,248</u>
Construction services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation	<u>1,657,557</u>	<u>1,943,330</u>	<u>1,774,377</u>	<u>168,953</u>
Debt service:				
Principal	927,136	927,136	927,136	-
Interest	296,024	296,024	292,706	3,318
Total debt service	<u>1,223,160</u>	<u>1,223,160</u>	<u>1,219,842</u>	<u>3,318</u>
Transfer to other funds	<u>914,115</u>	<u>914,115</u>	<u>2,414,115</u>	<u>(1,500,000)</u>
TOTAL DEPARTMENTAL OPERATIONS	<u>\$ 34,984,949</u>	<u>\$ 35,247,189</u>	<u>\$ 35,345,803</u>	<u>\$ (98,614)</u>

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022

	Special Revenue Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS			
Due from other governments	\$ 853,439	\$ -	\$ 853,439
Due from other funds	367,523	5,901	373,424
TOTAL ASSETS	<u>\$ 1,220,962</u>	<u>\$ 5,901</u>	<u>\$ 1,226,863</u>
LIABILITIES			
Accounts payable	\$ 71,623	\$ -	\$ 71,623
Due to other funds	754,541	-	754,541
TOTAL LIABILITIES	<u>826,164</u>	<u>-</u>	<u>826,164</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue	176,927	-	176,927
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>176,927</u>	<u>-</u>	<u>176,927</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	217,871	5,901	223,772
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	<u>217,871</u>	<u>5,901</u>	<u>223,772</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,220,962</u>	<u>\$ 5,901</u>	<u>\$ 1,226,863</u>

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Special Revenue Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	\$ 1,565,500	\$ -	\$ 1,565,500
Interest income	-	128	128
Other	161,218	-	161,218
TOTAL REVENUES	<u>1,726,718</u>	<u>128</u>	<u>1,726,846</u>
EXPENDITURES			
Other	<u>1,659,197</u>	<u>-</u>	<u>1,659,197</u>
TOTAL EXPENDITURES	<u>1,659,197</u>	<u>-</u>	<u>1,659,197</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>67,521</u>	<u>128</u>	<u>67,649</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	359,850	-	359,850
Transfers (out)	<u>(359,967)</u>	<u>-</u>	<u>(359,967)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(117)</u>	<u>-</u>	<u>(117)</u>
NET CHANGE IN FUND BALANCES	67,404	128	67,532
FUND BALANCES - JULY 1	<u>150,467</u>	<u>5,773</u>	<u>156,240</u>
FUND BALANCES - JUNE 30	<u>\$ 217,871</u>	<u>\$ 5,901</u>	<u>\$ 223,772</u>

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

## Special Revenue Funds

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



WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT  
 COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2022

	Title IV	COVID Education	IDEA-B Formula Grant	IDEA-B Preschool	Title I
ASSETS					
Due from other governments	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Schoolwide Program and Admin	ARP ESSER	Title I - SI	COVID Homeless
ASSETS				
Due from other governments	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	117,097	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 117,097</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	-	117,097	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>117,097</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 117,097</u>	<u>\$ -</u>	<u>\$ -</u>

SCHEDULE E (CONTINUED)

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Fresh Fruit and Vegetables	Student Activities	Rowland Foundation Grant	EPSDT Revenues	Local Standard Board Grant
ASSETS					
Due from other governments	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	218,841	-	31,076	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 218,841</u>	<u>\$ -</u>	<u>\$ 31,076</u>	<u>\$ -</u>
LIABILITIES					
Accounts payable	\$ -	\$ 970	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>970</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue	-	-	-	31,076	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,076</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	217,871	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>217,871</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 218,841</u>	<u>\$ -</u>	<u>\$ 31,076</u>	<u>\$ -</u>

SCHEDULE E (CONTINUED)

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Title IIA	COVID Vaccination	Misc Grants	Total
ASSETS				
Due from other governments	\$ -	\$ -	\$ 853,439	\$ 853,439
Due from other funds	-	509	-	367,523
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 509</u>	<u>\$ 853,439</u>	<u>\$ 1,220,962</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 70,653	\$ 71,623
Due to other funds	-	-	754,541	754,541
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>825,194</u>	<u>826,164</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	-	509	28,245	176,927
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>509</u>	<u>28,245</u>	<u>176,927</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	217,871
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>217,871</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 509</u>	<u>\$ 853,439</u>	<u>\$ 1,220,962</u>

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Title IV	COVID Education	IDEA-B Formula Grant	IDEA-B Preschool	Title I
REVENUES					
Intergovernmental	\$ 9,329	\$ 12,395	\$ 431,646	\$ 6,480	\$ 325,058
Other	-	-	-	-	-
TOTAL REVENUES	<u>9,329</u>	<u>12,395</u>	<u>431,646</u>	<u>6,480</u>	<u>325,058</u>
EXPENDITURES					
Other	<u>9,329</u>	<u>12,395</u>	<u>431,646</u>	<u>6,480</u>	<u>551</u>
TOTAL EXPENDITURES	<u>9,329</u>	<u>12,395</u>	<u>431,646</u>	<u>6,480</u>	<u>551</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>324,507</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(324,507)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(324,507)</u>
NET CHANGE IN FUND BALANCES	-	-	-	-	-
FUND BALANCES - JULY 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Schoolwide Program and Admin	ARP ESSER	Title I - SI	COVID Homeless
REVENUES				
Intergovernmental	\$ -	\$ 504,028	\$ 90,499	\$ 15,706
Other	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>504,028</u>	<u>90,499</u>	<u>15,706</u>
EXPENDITURES				
Other	<u>359,850</u>	<u>504,028</u>	<u>90,499</u>	<u>15,706</u>
TOTAL EXPENDITURES	<u>359,850</u>	<u>504,028</u>	<u>90,499</u>	<u>15,706</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(359,850)</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	359,850	-	-	-
Transfers (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>359,850</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES - JULY 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Fresh Fruit and Vegetables	Student Activities	Rowland Foundation Grant	EPSDT Revenues	Local Standard Board Grant
REVENUES					
Intergovernmental	\$ 12,361	\$ -	\$ -	\$ 13,641	\$ 705
Other	-	113,033	48,185	-	-
TOTAL REVENUES	<u>12,361</u>	<u>113,033</u>	<u>48,185</u>	<u>13,641</u>	<u>705</u>
EXPENDITURES					
Other	<u>12,244</u>	<u>45,629</u>	<u>48,185</u>	<u>13,641</u>	<u>705</u>
TOTAL EXPENDITURES	<u>12,244</u>	<u>45,629</u>	<u>48,185</u>	<u>13,641</u>	<u>705</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>117</u>	<u>67,404</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers (out)	(117)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(117)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	67,404	-	-	-
FUND BALANCES - JULY 1	<u>-</u>	<u>150,467</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ 217,871</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Title IIA	COVID Vaccination	Misc Grants	Total
REVENUES				
Intergovernmental	\$ 117,296	\$ 8,731	\$ 17,625	\$ 1,565,500
Other	-	-	-	161,218
TOTAL REVENUES	<u>117,296</u>	<u>8,731</u>	<u>17,625</u>	<u>1,726,718</u>
EXPENDITURES				
Other	81,953	8,731	17,625	1,659,197
TOTAL EXPENDITURES	<u>81,953</u>	<u>8,731</u>	<u>17,625</u>	<u>1,659,197</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>35,343</u>	<u>-</u>	<u>-</u>	<u>67,521</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	359,850
Transfers (out)	(35,343)	-	-	(359,967)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(35,343)</u>	<u>-</u>	<u>-</u>	<u>(117)</u>
NET CHANGE IN FUND BALANCES	-	-	-	67,404
FUND BALANCES - JULY 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,467</u>
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 217,871</u>

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



## Permanent Funds

Permanent funds are used to account for assets held by the Washington Central Unified Union School District that are legally restricted and unless otherwise specified, only earnings and not principal, may be used for purposes that benefit the School District or its students. These funds have been established for the provision and/or maintenance of various funds.

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS  
JUNE 30, 2022

	Music- Bellemeur Fund	Total
ASSETS		
Due from other funds	\$ 5,901	\$ 5,901
TOTAL ASSETS	<u>\$ 5,901</u>	<u>\$ 5,901</u>
LIABILITIES		
Accounts payable	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
FUND BALANCES		
Nonspendable	-	-
Restricted	5,901	5,901
Committed	-	-
Assigned	-	-
Unassigned	-	-
TOTAL FUND BALANCES	<u>5,901</u>	<u>5,901</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,901</u>	<u>\$ 5,901</u>

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

	Music- Bellemeur Fund	Total
REVENUES		
Interest income	\$ 128	\$ 128
TOTAL REVENUES	<u>128</u>	<u>128</u>
EXPENDITURES		
Other	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	128	128
FUND BALANCES - JULY 1	<u>5,773</u>	<u>5,773</u>
FUND BALANCES - JUNE 30	<u>\$ 5,901</u>	<u>\$ 5,901</u>

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

## General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities' column of the government-wide statement of net position.

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION  
JUNE 30, 2022

	Land and Non-depreciable Assets	Buildings, Building Improvements and Land Improvements	Furniture, Fixtures, Equipment, Software and Vehicles	Infrastructure	Total
Direct Services	\$ -	\$ -	\$ 362,739	\$ -	\$ 362,739
S.S. - Students	-	-	7,654	-	7,654
S.S. - Staff	-	-	2,000,685	-	2,000,685
S.S. - General Admin	-	-	41,696	-	41,696
S.S. - Area Admin	-	-	57,572	-	57,572
Operations and Maintenance	103,257	52,740,740	1,261,730	587,043	54,692,770
Food Service	-	1,236,283	575,555	-	1,811,838
Total General Capital Assets	103,257	53,977,023	4,307,631	587,043	58,974,954
Less: Accumulated Depreciation	-	(24,318,621)	(2,724,883)	(119,016)	(27,162,520)
Net General Capital Assets	\$ 103,257	\$ 29,658,402	\$ 1,582,748	\$ 468,027	\$ 31,812,434

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

## WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION  
FOR THE YEAR ENDED JUNE 30, 2022

	General Capital Assets 7/1/21 (Restated)	Additions	Deletions	General Capital Assets 6/30/22
Direct Services	\$ 362,739	\$ -	\$ -	\$ 362,739
S.S. - Students	7,654	-	-	7,654
S.S. - Staff	1,821,219	179,466	-	2,000,685
S.S. - General Admin	41,696	-	-	41,696
S.S. - Area Admin	57,572	-	-	57,572
Operations and Maintenance	53,925,539	767,231	-	54,692,770
Food Service	1,816,339	12,550	(17,051)	1,811,838
Total General Capital Assets	58,032,758	959,247	(17,051)	58,974,954
Less: Accumulated Depreciation	(25,798,431)	(1,510,764)	146,675	(27,162,520)
Net General Capital Assets	<u>\$ 32,234,327</u>	<u>\$ (551,517)</u>	<u>\$ 129,624</u>	<u>\$ 31,812,434</u>

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

## Federal Compliance Description

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

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

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal Assistance Listing Number	Pass-through Grantor Number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Education				
Passed through State of Vermont - Agency of Education and Cultural Services:				
Title I - Grants to Local Education Agencies	84.010A	05100-4250U0922201	325,058	-
Title I - Grants to Local Education Agencies	84.010A	05100-4255U0922201	90,499	-
			<u>415,557</u>	<u>-</u>
Special Education Cluster (IDEA):				
IDEA-B Flow Through	84.027A	05100-4266U0922201	431,646	-
IDEA-B Part B Section 619	84.173A	05100-4228U0922201	6,480	-
Subtotal Special Education Cluster (IDEA)			<u>438,126</u>	<u>-</u>
Title IIA - Supporting Effective Instruction	84.367A	05100-4651U0922201	117,296	-
Student Support and Academic Enrichment	84.424	05100-4570U0922201	9,329	-
Education Stabilization Fund Under the Coronavirus Aid, Relief and Economy Security Act ARP				
	84.425U	05100-4599U0922101	504,029	-
Education Stabilization Fund Under the Coronavirus Aid, Relief and Economy Security Act ARP				
	84.425U	05100-4604U0922202	15,706	-
Education Stabilization Fund Under the Coronavirus Aid, Relief and Economy Security Act ARP				
	84.425U	N/A	8,731	-
			<u>528,466</u>	<u>-</u>
Total U.S. Department of Education			<u>1,508,774</u>	<u>-</u>
U.S. Department of Health and Human Services				
Passed through State of Vermont - Agency of Education and Cultural Services:				
Child Care and Development Block Grant	93.575	05100-4651U0922201	17,625	-
Total U.S. Department of Health and Human Services			<u>17,625</u>	<u>-</u>
TOTAL FEDERAL ASSISTANCE			<u>\$ 1,526,399</u>	<u>\$ -</u>



# WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

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

### 1. Basis of Presentation

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

### 2. Summary of Significant Accounting Policies

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



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

Board of Directors  
Washington Central Unified Union School District  
Montpelier, Vermont

We have audited, in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Washington Central Unified Union School District as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise Washington Central Unified Union School District's basic financial statements and have issued our report thereon dated December 1, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Washington Central Unified Union 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 Washington Central Unified Union School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Washington Central Unified Union 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.

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

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Washington Central Unified Union 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*. We noted certain other matters that we reported to management of the Washington Central Unified Union School District in a separate letter dated August 12, 2022.

#### 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.

*RHR Smith & Company*

Buxton, Maine  
Vermont Registration No. 092.0000697  
December 1, 2022



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

Board of Directors  
Washington Central Unified Union School District  
Montpelier, Vermont

### Report on Compliance for Each Major Federal Program

We have audited Washington Central Unified Union School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Washington Central Unified Union School District's major federal programs for the year ended June 30, 2022. Washington Central Unified Union 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.

### Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

### Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Washington Central Unified Union School District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Washington Central Unified Union School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Washington Central Unified Union School District's compliance.

### Opinion on Each Major Federal Program

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

### Report on Internal Control Over Compliance

Management of Washington Central Unified Union School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Washington Central Unified Union School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Washington Central Unified Union School District's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 communication is not suitable for any other purpose.

*RHR Smith & Company*

Buxton, Maine

Vermont Registration No. 092.0000697

December 1, 2022

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2022

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

*Financial Statements*

Type of auditor's report issued : Unmodified

Internal control over financial reporting:

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

*Federal Awards*

Internal control over major programs:

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

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

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

Identification of major programs:

<u>AL Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.425U	Education Stabilization Fund Under the Coronavirus Aid, Relief and Economic Security Act ARP

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

Auditee qualified as low-risk auditee? ☒yes ☐no

**Section II - Financial Statement Findings**

None

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

None

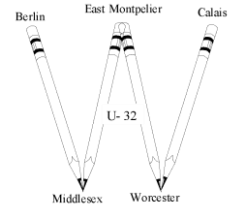
## Washington Central Unified Union School District

*WCUUSD exists to nurture and inspire in all students the passion, creativity and power to contribute to their local and global communities.*

---

1130 Gallison Hill Road  
Montpelier, VT 05602  
Phone (802) 229-0553  
Fax (802) 229-2761

Meagan Roy Ed.D.  
Superintendent



**TO: WCUUSD Finance Committee & School Board**  
**FROM: Susanne D. Gann, WCUUSD Business Administrator**  
**RE: FY 2022-23 Financial Update**  
**DATE: December 9, 2022**

---

**General Fund Balance Summary:** The beginning fund balance reserved for the operation of the school district was \$2,258,893. The District previously reserved \$666,928 for technology equipment and fiscal software. The district currently projects an increase in fund balance of \$296,766 from FY 2022-23 operations. When the FY 2022-23 budget was prepared, the District had planned to utilize \$325,468 of fund balance, anticipating a decrease in the fund balance.

The total unassigned / unallocated fund balance is anticipated to be \$1,563,262, which is \$839,877 beyond the target of 2% of the current year's budget (\$723,385).

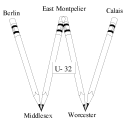
The positive impact on the bottom line is directly related to the difficulty filling positions and hiring substitute personnel, which we know places significant strain on the entire system, especially the humans in the buildings.



WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GENERAL FUND PROJECTIONS AS OF DECEMBER 9, 2022  
FOR THE YEAR ENDED JUNE 30, 2023

	Amount Increase / (Decrease)
<b>CHANGES IN REVENUES</b>	
Tuition	\$ 44,292
Interest Income	\$ (59,549)
<b>TOTAL REVENUE CHANGES</b>	<b>\$ (15,257)</b>
<b>CHANGES IN EXPENDITURES</b>	
Salaries & Benefits	\$ 384,282
Preschool Tuition	\$ (7,778)
Heating Fuel (oil, propane, wood chips, wood pellets)	\$ (64,481)
<b>TOTAL EXPENDITURE CHANGES</b>	<b>\$ 312,023</b>
<b>PROJECTED NET CHANGE IN FUND BALANCE IN FY 2022-23</b>	<b>\$ 296,766</b>

<b>BEGINNING FUND BALANCE AS OF JULY 1, 2022</b>	<b>\$ 2,258,893</b>
Previously reserved for Technology Equipment	\$ (357,928)
Previously reserved for Fiscal Software & Related Costs	\$ (309,000)
<b>TOTAL BEGINNING FUND BALANCE - AVAILABLE FOR OPERATIONS</b>	<b>\$ 1,591,965</b>
<b>PROJECTED NET CHANGE IN FUND BALANCE IN FY 2022-23</b>	<b>\$ 296,766</b>
<b>PROJECTED ENDING FUND BALANCE - JUNE 30, 2023</b>	<b>\$ 1,888,730</b>
<b>RESERVE ITEMS FOR FY 2022 - 23 BUDGET</b>	
Offset Early Retirement Final Year Expense	\$ (145,019)
Offset EMES Classroom Teacher (1.0 FTE)	\$ (91,699)
Offset Equity Scholar in Residence	\$ (88,750)
<b>TOTAL RESERVE ITEMS FOR FY 2022 - 23 BUDGET</b>	<b>\$ (325,468)</b>
<b>TOTAL UNASSIGNED / UNALLOCATED FUND BALANCE</b>	<b>\$ 1,563,262</b>
<b>FUND BALANCE TARGET (2% OF CURRENT YEAR BUDGET)</b>	<b>\$ (723,385)</b>
<b>AMOUNT AVAILABLE BEYOND THE 2% TARGET</b>	<b>\$ 839,877</b>



**To:** WCUUSD Board  
**From:** Policy Committee  
**Re:** Information for December 21 Policy Discussions

The Policy Committee would like to provide some additional information regarding the following policy items:

**7.1. Second Reading and action: F2 Non- Discriminatory Mascots and Branding**

As discussed during the first reading, this is a new, required policy and must be enacted by January 1, 2023. The draft as written is the VSBA's model policy, which was developed using the Agency of Education's template.

**7.2 First Reading: C13 Homeless Students**

This is a new required policy; the committee is recommending the current draft that was derived directly from the model policy. To support the first reading, there is a summary of the district homeless procedures in this month's Superintendent Report.

**7.3. First Reading C5: Weapons**

The C5 Weapons and Firearms policy was selected for a requested review by the policy committee. At issue during the committee's discussions was the requirement that our current policy has to immediately convene an expulsion hearing any time a student brings a dangerous weapon or firearm, without opportunity for situational discretion. The committee was clear that Vermont law requires an expulsion hearing for any student who brings a firearm into school; however, it believes discretion is warranted for certain other weapons. The attached draft was discussed at both the November and December Policy Committee meetings and includes recommended changes to the definitions to accommodate these distinctions.

**7.4 First Reading: Building Use Policy**

Washington Central does not currently have a building use policy that is applicable for all schools. The Policy Committee reviewed pre-consolidation policies from our individual town districts as well as current procedures already in place to develop the policy draft included in the packet. This is being offered as a first reading for the Board.

**7.5 Update A1: Board Conflict of Interest**

The Board Conflict of Interest policy was reviewed by the committee as part of a regular review cycle. The committee is not recommending any changes to the policy; it is included here for the Board's information.

## Required

WASHINGTON CENTRAL UNIFIED  
UNION SCHOOL DISTRICT

Board of Directors' Policy

Nondiscriminatory Mascots &  
School Branding

POLICY: F2

WARNED: 11.16.22

ADOPTED: \_\_\_\_\_  
EFFECTIVE: \_\_\_\_\_

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### Statement of Policy

It is the policy of the Washington Central Unified Union School District to provide welcoming, positive, and inclusive learning environments for all students by prohibiting the use of discriminatory school branding, which undermines the educational experiences of members of all communities and perpetuates negative stereotypes.

### Definitions

1. “**School**” means a public school or an independent school approved under section 166 of Title 16.
2. “**School board**” or “**Board**” means the board of directors or other governing body of an educational institution when referring to an independent school.
3. “**School branding**” means any name, symbol, or image used by a school as a mascot, nickname, logo, letterhead, team name, slogan, motto, or other identifier.

### Administrative Responsibilities

The superintendent or designee shall:

1. periodically review per our policy review cycle and provide recommendations for necessary updates to the nondiscriminatory school branding policy as necessary;
2. assist the school board in its review of the district’s school branding to ensure compliance with the policy following any school branding changes or updates to the policy;
3. assist the school board in ensuring the prohibition of school branding that directly or indirectly references or stereotypes the likeness, features, symbols, traditions, or other characteristics that are specific to either:
  - a. the race, creed, color, national origin, sexual orientation, or gender identity of any person or group of persons; or
  - b. any person, group of persons, or organization associated with the repression of others;
4. Develop a procedure for an individual to file a complaint that an element of school branding is in violation of the policy.

## Complaints

An individual may request an opportunity to appear before the Board for purposes of presenting the complaint, relevant facts, and further explanations. The board shall hear the complaint in a fair and just manner. The Board shall render a decision within 45 days of the hearing, which must include a summary of facts and basis for the decision.

If the individual is unsatisfied with the Board's decision, the individual may appeal the decision to the Secretary of Education. Appeals shall be filed within 30 days of the school board's decision by sending a written notice of appeal to the Agency of Education.

<i>VSBA Review Date</i>	<i>August 15, 2022</i>
<i>Date Warned</i>	<i>November 16, 2022</i>
<i>Date Adopted</i>	
<i>Legal References</i>	<i>16 V.S.A. § 568</i>
<i>Cross References</i>	<i>District Equity Policy</i>

*DISCLAIMER: This model policy has been prepared by the Vermont School Boards Association for the sole and exclusive use of VSBA members, as a resource to assist member school boards with their policy development. School Districts should consult with legal counsel and revise model policies to address local facts and circumstances prior to adoption, unless the model policy states otherwise. VSBA continually makes revisions based on school districts' needs and local, state and federal laws, regulations and court decisions, and other relevant education activity.*

## Required

WASHINGTON CENTRAL UNIFIED  
UNION SCHOOL DISTRICT

Board of Directors' Policy

Students Who Are Homeless

<b>POLICY:</b>	<u>C13</u>
<b>WARNED:</b>	<u>12.15.22</u>
<b>ADOPTED:</b>	<u></u>
<b>EFFECTIVE:</b>	<u></u>

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### Policy

The Washington Central Unified Union School District (District) is committed to the success of every student. Homeless students in the District will have access to the education and other services needed to ensure that an opportunity is available to meet the same academic achievement standards to which all students are held.

The District will designate a liaison for students in homeless situations to carry out duties as required by law.

The District will ensure that homeless students are not stigmatized nor segregated on the basis of their status as homeless. A homeless student will be admitted to the school district in which the student is actually living or to the student's school of origin as requested by the parent and in accordance with the student's best interest. Transportation will be provided to and from the student's school of origin at the request of the parent, or in the case of an unaccompanied student, the District's liaison for homeless students. Homeless students will have access to all programs and services for which they are eligible, including but not limited to special education services, preschool, school nutrition programs, and language assistance for English learners.

### Definitions

1. **Homeless students** means those lacking a fixed, regular and adequate nighttime residence, which could include:
  - A. Sharing the housing of other persons due to loss of housing, economic hardship, or similar reason;
  - B. Living in motels, hotels, trailer parks or camping grounds **due to** the lack of alternative adequate accommodations;
  - C. Living in emergency or transitional shelters;
  - D. Being abandoned in hospitals;

- E. Having a primary nighttime residence that is a public or private place not designed for or ordinarily used as regular sleeping accommodations for human beings;
- F. Living in cars, parks, public spaces, abandoned buildings, substandard housing, transportation stations or similar settings; and
- G. Migratory children living in conditions described in the previous examples.

- 2. **Enroll and enrollment** mean attending classes and participating fully in school activities.
- 3. **Unaccompanied youth** means a homeless child or youth not in the physical custody of a parent or guardian.
- 4. **School of Origin** means the school that a child or youth attended when permanently housed or the school in which the child or youth was last enrolled, including a preschool. When a child or youth completes the final grade level served by the school of origin, it also includes the designated receiving school at the next grade level for all feeder schools.

### **Administrative Responsibilities**

The superintendent or designee shall develop written procedures to ensure the following rights of eligible students:

- 1. Equal access to the same free, appropriate public education, including public prekindergarten education, as is provided to other children and youth;
- 2. Immediate enrollment, even when records normally required for enrollment are not present;
- 3. Remain in the school of origin, if it is in the student's best interest, in order to maintain educational stability;
- 4. Access to all educational and related services for which they are eligible, including Title I services, educational programs for children with disabilities, educational programs for English learners, career and technical education, programs for gifted and talented students, and free school meals;
- 5. Full participation in school, which may include participation in extracurricular activities;
- 6. Transportation, provided by the local education agency (LEA), to and from the school of origin;
- 7. Privacy, such that information about a homeless student's living situation will be treated as a student education record and not deemed to be directory information.
- 8. Dispute an eligibility, school selection, or enrollment decision, and for a child or youth to be admitted to the school in which enrollment is sought, pending the resolution of the dispute.

<i>VSBA Update:</i>	<i>September 13, 2022</i>
<i>Date Warned:</i>	
<i>Date Adopted:</i>	
<i>Legal Reference(s):</i>	<i>McKinney-Vento Homeless Assistance Act (as amended by ESSA) 42 U.S.C. §§ 11431 – 11432</i>
	<i>Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g; 34 CFR Part 99</i>
<i>Cross References:</i>	

*DISCLAIMER: This model policy has been prepared by the Vermont School Boards Association for the sole and exclusive use of VSBA members, as a resource to assist member school boards with their policy development. School Districts should consult with legal counsel and revise model policies to address local facts and circumstances prior to adoption, unless the model policy states otherwise. VSBA continually makes revisions based on school districts' needs and local, state and federal laws, regulations and court decisions, and*

**Required/Recommended**

**WASHINGTON CENTRAL UNIFIED  
UNION SCHOOL DISTRICT**

**Board of Directors' Policy**

**Weapons & Firearms**

**POLICY:**

**C5**

**WARNED:**

**12.15.22**

**ADOPTED:**

**EFFECTIVE:**

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It is the intent of the board to comply with the federal Gun Free Schools Act of 1994, and the Vermont state laws (16 V.S.A. §1166 & §1162) requiring school districts to provide consequences for students who bring or possess dangerous weapons or firearms at school. It is further the intent of the board to maintain a student discipline system consistent with the requirements of the federal Individuals with Disabilities Education Act, Section 504 of the Rehabilitation Act and the Vermont State Board of Education rules.

Definitions: This policy shall define the terms “dangerous weapons”, “firearm/destructive device” “at school” and “expelled”. However, the school board may augment the definitions, provided they remain consistent with definitions required by state and federal law.

a. The term “dangerous weapon” means

1. Any knife, dagger, switchblade or, a folding knife with a blade in excess of two and one-half inches. Any folding knife with a blade less than two and one half inches, including a pocket knife and pen knife, shall be considered a dangerous or deadly weapon if it is used, threatened to be used, or possessed in a threatening manner or with the intent to cause harm to any person.
2. Any other weapon, device, instrument, material or substance, whether animate or inanimate, which in the manner it is used or is intended to be used is known to be capable of producing death or serious bodily injury.
3. Articles designed for other purposes but which could easily be used to inflict serious bodily harm and used by a pupil in a threatening manner. Examples are files, compasses, scissors, etc. A student who uses any article capable of inflicting serious bodily harm in an aggressive, belligerent or threatening manner, shall be deemed to be in possession of a weapon.

b. “Firearm/Destructive Device” means

1. any weapon, whether loaded or unloaded, which will expel a projectile by the action of an explosive and includes any weapon commonly referred to as a pistol, revolver, rifle, gun, machine gun or shotgun.
2. any destructive device, including explosives, incendiaries, or poison gas, including but not limited to: (i) bomb (ii) grenade (iii) rocket having a propellant charge of more than four ounces (iv) missile having an explosive or incendiary charge of more than one-quarter ounce; (v) mine; or (vi) similar device, unless such destructive device is under the supervision of a teacher and used as part of the curriculum.



c. "At school" means any setting that is under the control and supervision of the school district. It includes school grounds, facilities and vehicles used to transport students to and from school or school activities.

d. "Expelled" means the termination of educational services to a student for greater than 10 days, and is determined by the board.

## **Policy Statement**

### **PART A: WITH REGARDS TO STUDENTS**

#### **Dangerous Weapons - Sanctions**

No student shall knowingly possess or use a dangerous weapon at school. However, with the prior written consent of the superintendent or their designee, a student may possess a device that might be considered a dangerous weapon for a predetermined educational purpose.

The principal or his/her designee shall be responsible for carrying out discipline procedures, conforming with the guidelines established in WCUUSD Policy C20; Student Conduct and Discipline, for any student who knowingly possesses or uses a dangerous weapon at school.

#### **Firearm/Destructive Device - Sanctions**

No student shall possess or use a firearm or destructive device at school.

The principal or designee shall be responsible for carrying out discipline procedures, conforming with the guidelines established in WCUUSD Policy C20; Student Conduct and Discipline, for any student who possesses or uses a firearm or destructive device at school.

Any student who brings a firearm or destructive device to school, or who possesses a firearm or destructive device at school shall be immediately suspended and brought by the superintendent to the school board for an expulsion hearing.

The superintendent shall refer to the appropriate law enforcement agency any student who brings a firearm or destructive device to a school under the control and supervision of the school district. The superintendent may also report any incident subject to this policy to the Department for Children and Families (DCF).

A student found by the school board after a hearing to have brought a firearm or destructive device to school shall be expelled for at least one calendar year. However, the school board may modify the expulsion on a case-by-case basis when it finds circumstances such as, but not limited to:

1. The student was unaware that he or she had brought a firearm or destructive device to school.
2. The student did not intend to use the firearm or destructive device to threaten or endanger others.
3. The student is disabled and the misconduct is related to the disability.
4. The student does not present an ongoing threat to others and a lengthy expulsion would not serve the best interests of the pupil.

At the discretion of the school board and administration, an expelled student may be afforded limited educational services at a site other than the school during the period of expulsion under this policy.

## **Policy Implementation**

An expulsion hearing conducted under this policy shall afford due process as required by law and as developed by the superintendent or designee.

The superintendent shall annually provide the Secretary of Education with descriptions of the circumstances surrounding expulsions imposed under this policy, the number of students expelled and the type of firearms involved.

## **PART B: WITH REGARD TO PERSONS OTHER THAN STUDENTS**

No person shall enter onto school grounds while in possession of a dangerous weapon or firearm as described above unless:

- a. The person has prior written approval from the superintendent or designee to bring the weapon to school for authorized activities;
- b. The person is a law enforcement officer.

### **Legal Reference(s):**

16 V.S.A. §1162 (Suspension or expulsion of pupils)  
16 V.S.A. §1166 (State law pursuant to Federal law)  
13 V.S.A. §§4004, 4016 (Criminal offenses)  
20 U.S.C. §7151 (Gun Free Schools Act)  
18 U.S.C. §921 (Gun Free Schools Act of 1990)  
20 U.S.C. §§ 1400 et seq. (IDEA)  
29 U.S.C. §794 (Section 504, Rehabilitation Act of 1973)  
Vt. State Board of Education Manual of Rules & Practices, §§4311, 4312

**WASHINGTON CENTRAL UNIFIED  
UNION SCHOOL DISTRICT**

**Board of Directors' Policy**

**USE OF SCHOOL FACILITIES POLICY**

**POLICY:** E20

**WARNED:** 12.15.22

**ADOPTED:** \_\_\_\_\_

**EFFECTIVE:** \_\_\_\_\_

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**Purpose:**

The Washington Central Unified Union School District is responsible for maintaining the school property and facilities in good condition of the public education of the students of the entire School District. The Board is also responsible for ensuring that budgeted funds approved by the taxpayers for public education are used as intended. The school property is public property, and the Board recognizes that some groups or individual may want to utilize the property for a variety of uses. This policy permits the use of District school property and facilities for other purposes, on an occasional basis, as long as the use is primarily for the benefit of the students and taxpayers of the School District and does not conflict with, detract from, or otherwise limit regular school programs or sponsored activities. This policy also establishes that use by other groups or entities, whose mission is more general than just serving the School district, whether for profit or not for profit, may be permitted under certain circumstances. This policy sets forth the priorities of uses and the conditions under which such uses are permitted.

**Scope:**

The facilities covered by this policy include all real estate, buildings, and property contents owned by the Washington Central Unified Union School District in each of its member Towns, and U-32.

The principal, or designee, shall manage and determine availability of, the facilities on an ongoing basis.

Some areas may be restricted from general public use for extended periods of time due to the necessity of maintaining or conserving those areas for current student activities, recovery efforts (i.e. grass on playing fields), for security reasons, or for maintain confidentiality.

Equipment use may be permitted under certain conditions but is not automatically included in permission for use of any space. Some equipment may be excluded from non-school program use at the discretion of the principal or designee due to reasons that include but are not limited to safety, liability, conservation for school programs and resources, or situations where depreciation of equipment may be difficult to assess.

**Priorities of Use:**

When the School District grounds or facility are subject to an easement, the principal's decision must comply with grounds or facility use outlined in the easement. In situations where easement rights apply, a user may appeal the principal's decision to the superintendent for decision.

Facilities shall be made available so as to preserve the following priority of uses:

**Category 1. School Activities and School-Sponsored Activities**

First priority is that all facilities be available for public school purposes, including, but not limited to, instruction, extra-curricular and co-curricular activities, and other school-sponsored activities and events. No school facility or portion thereof shall be contracted for, or dedicated to any other purpose, except on an occasional basis as further set forth below, so as to maintain this availability.

### **Category 2. School-Related and School-Supporting Activities**

Second priority shall be use by the individual School's Recreation or co-curricular Department and School established organizations or groups, the express purpose of which is to provide benefit and support to the School District. Such uses may include, but are not limited to, use by parent-teach organizations, booster clubs, recreational organizations that benefit students and/or taxpayers, and fundraising activities whose purpose is to benefit the School District.

### **Category 3. Other Groups or Individuals Providing Educational Benefits or Services on a Non Profit Basis to the School Community**

Third priority shall be given to non-profit use by groups or individuals to provide curricular, extra-curricular or post-secondary educational opportunities of a kind or at a level not otherwise generally available to the School District population. Examples include, but are not limited to, classes, or non-profit athletic, artistic or similar group endeavors offering activities that provide opportunities for enrichment to the School District community.

### **Category 4. Use by Other Public Entities**

Fourth priority will be given to other public entities for events or programs that are open to the public. Such uses include use as a site for a public civil function, such as a public meeting on a legislative or municipal issue. Public entities include local, state, and federal governmental entities, including subdivisions, agencies, organizations, or programs operated by such entities.

### **Category 5. Other Occasional Uses**

Use by an entity not described in the previous categories may be permitted by the principal, or designee, for an educational or community purpose, where such use does not conflict with the goals of this policy. The use is subject to specific terms and conditions consistent with the policy.

Process – The principal, or designee, shall establish a use permit process that may include variations by each category. This process shall be reviewed and approved by the board on an annual basis. It is required that groups or individuals in categories 2 through 6 follow the process in obtaining permission for use.

Conditions of Use – The following conditions shall be applied by the principal, or designee, in deciding what uses will be allowed and what terms and conditions will be applied to each specific use in granting permission. In the event of a conflict between potential users or uses, or if an issue arises concerning terms and conditions of use, the principal shall have the authority to decide the conflict.

1. Nondiscrimination – All users of school facilities must agree in writing to not unlawfully discriminate on the basis of disability, race, color, national origin, sex, age, religion, ancestry, sexual orientation, or place of birth. Failure to adhere to this agreement shall result in the cancellation or termination of the use.
2. Lawful Use Only – Compliance with School Policies – All users of the school facilities must agree in writing that their use will not violate any federal, state or local laws, including but not limited to: the use of tobacco, alcohol or other controlled substances; illegal gambling; possession of weapons. Users must also agree in writing to take responsibility for notifying attendees of this condition. Failure to comply with this agreement shall result in the cancellation or termination of the contracted use as well as denial of future use.
3. Maintenance of the Facility - All users shall agree in writing to use school facilities appropriately, to oversee treatment of the facilities by those involved in the use and to leave the facility in at least as good condition as it was in at the time they commenced their use. Additional fees will be assessed to any group for litter, and/or damage to the property.
4. Non-Endorsement Clause – Use of School District property or facilities by any group or entity other than those described in categories 1 or 2 above shall not constitute and shall not be considered an endorsement of said group or entity, or of its use or activity, policies, opinions, agendas, actions or beliefs. Any person or entity using the facility for a purpose other than categories 1 and 2 above shall clearly state the identity of the presenting entity or individual in all promotional materials, advertising, signs, ad descriptions of the activity or event, and shall not state or imply that the activity is sponsored or endorsed by the U-32 School District, unless such support or endorsement has been explicitly given in writing.
5. Special Purpose vs. General Purpose Facilities - Before committing any special purpose facility for use for a non-school purpose, particular care shall be taken to avoid creating a general unavailability of such facilities for high priority uses in category 1. This may mean taking measures to assure a strict limitation on the availability of a given special use facility to all outside users. Special use facilities include auditoriums, libraries, playing fields, gymnasiums, cafeterias, and other special purpose rooms and facilities.
6. Schedule of Fees - Consistent with the Board's responsibility to maintain the facilities for use in educating the students of the School District, and that the tax monies appropriated by the school district are intended to be used for the education of those students, the principal with board approval shall develop and charge appropriate fees for use of school facilities

and related equipment for uses in categories 2 through 6. The fees charged shall not be less than the actual cost of the use, taking into account costs such as utilities, custodial services, security, and maintenance. The principal may only waive fees subject to rules established by the Board. The board shall review the rules and fee structure annually.

7. Insurance - The principal or designee shall include as an express condition of use, for any user entity not covered under the School District's insurance policy, a requirement that the user entity submit proof of insurance as specified for the particular use, prior to commencement of the use, specifically listing the School District as additionally insured. The Board shall establish the standard limits of liability to be required each year.
8. Written Use Agreements - The principal shall prepare and maintain, with Board approval, a form of written use agreement that states all conditions of use. If a fee is charged, or proof of insurance required, with respect to a particular use, a written agreement shall be signed by the principal or designee and a duly authorized representative of the user, prior to commencement of the use, reciting all conditions of use and agreement to any fee imposed for the use. Each written agreement shall have attached to it a copy of this policy. It shall also include, in its specific terms, the conditions listed in this policy to the extent they are applicable to the particular use.
9. Duration of Use - Uses in categories 2 through 6 shall be limited to occasional use, meaning use of limited duration and frequency. When an occasional use by users in categories 2 through 6 involves a series of weekly activities or events on more than one date, such use shall not be for more than a two-month period. Upon a showing of special circumstances, the principal or designee may extend the period by up to an additional two months.
10. Cancellation or Postponement of a Scheduled Event - The School District reserves the right to cancel a scheduled event (reoccurring or otherwise) if it conflicts with the rescheduling of a student event(s) made necessary by weather or other circumstances beyond the control of the School District. The School District reserves the right to cancel or postpone any scheduled event due to serious concerns for public safety, employee safety or security of the property. The principal or designee is authorized to order the cancellation or postponement of a scheduled event under these circumstances and shall make every effort to give reasonable notice to the party intending to use the property. The principal or designee shall also make every reasonable effort to reschedule postponed events.
11. Equipment - Users in categories 2 through 6 may only use equipment related to the facility if prior permission is obtained from the principal or designee. Equipment used shall be limited to that which is negotiated in the agreement with the principal or designee. The principal or designee shall factor in the cost of use of the equipment in the fees charged. Examples of equipment related to the facility are computers, sports equipment, scoreboards, theater lights, and sound equipment.
12. Outside Contractors - All outside contractors, and specific contract agreements for services to be provided to an entity using School facilities, must be approved by the principal or

**Required****WASHINGTON CENTRAL UNIFIED  
UNION SCHOOL DISTRICT****Board of Directors' Policy****POLICY:** A1**WARNED:** 12.21.22**ADOPTED:** \_\_\_\_\_**EFFECTIVE:** \_\_\_\_\_**BOARD MEMBER CONFLICT OF INTEREST**

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Members of the board recognize the ethical duty of all public officers to avoid conflicts of interest. In the case of school board members, this duty is extended by Vermont law to include a requirement that boards adopt policies and procedures to avoid the appearance of conflicts of interest. In order to comply with the obligations thus imposed, the board and its members will adhere to the following standards.

1. Board members will be familiar with the Vermont School Boards Association Codes of Ethics, and will observe their provisions.
2. Board members will be familiar with, and adhere to, those provisions of Vermont education law that define school board powers and govern board member compensation and public bidding processes.
3. A board member will do nothing intended to give the false impression that they have the authority to make decisions or take action on behalf of the board or the school administration.
4. A board member will not take any action that is intended to give the impression that they would represent special interests or partisan politics for personal gain.
5. A board member will not use their position on the board in any manner intended to unfairly promote personal fiduciary and/or financial interest or the fiduciary and/or financial interests of family members, friends or supporters.
6. A board member will not accept anything of value in return for taking particular positions on matters before the board.
7. A board member will do nothing intended to leave the impression that their position on any issue can be influenced by anything other than a fair presentation of all sides of the question.

When a board member becomes aware of involvement in a conflict of interest as defined in state law or this policy, they will declare the nature and extent of the conflict or appearance of conflict for inclusion in the board minutes, and will abstain from voting or participating in the discussion of the issue giving rise to the conflict.

When a conflict of interest claim against a board member is brought to the board in writing and

signed by another board member or a member of the public, and the board member against whom the claim is made does not concur that a conflict in fact exists, the following board procedures will be followed.

1. Upon a majority vote of the remaining board members, or upon order of the chair, the board will hold an informal hearing on the conflict of interest claim, giving both the board member and the person bringing the claim an opportunity to be heard.
2. At the conclusion of the informal hearing, the remaining board members will determine by majority vote to take one of the following actions:
  - A. Issue a public finding that the conflict of interest charge is not supported by the evidence and is therefore dismissed.
  - B. Issue a public finding that the conflict of interest charge is supported by the evidence and that the member should disqualify them from voting or otherwise participating in the board deliberations or decision related to that issue, as required by Vermont statute.
  - C. Issue a public finding that the conflict of interest charge is supported by the evidence, and in addition to disqualifying them from voting or otherwise participating in the board deliberations or decision, the board member should be formally censured or subjected to such other action as may be allowed by law.

Legal References: 16 V.S.A. §§ 557, 558, 559, 563(20), 262(c)



# Washington Central Unified Union School District

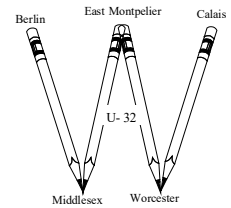
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*WCUUSD exists to nurture and inspire in all students the passion, creativity and power to contribute to their local and global communities.*

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Meagan Roy Ed.D.  
Superintendent



**Washington Central Unified Union School District  
School Board Meeting  
(Virtual Only)  
Central Office  
1130 Gallison Hill Rd. Montpelier, VT  
11.16.22 6:00-9:30 PM**

**Board Members Present:** Diane Nichols-Fleming, Ursula Stanley, Lindy Johnson, Jonas Eno-Van Fleet, Chris McVeigh, Daniel Keeney, Mckalyn Leclerc, Jonathan Goddard, Kari Bradley, Flor Diaz Smith, Joshua Sevits, Eric Andersen, Maggie Weiss, Student Representatives: Maya Elliot and Willow Mashkuri

**Administrators Present:** Superintendent Meagan Roy, Jen Miller-Arsenault, Kerra Holden, Aaron Boynton, Karoline May, Susanne Gann, Cat Fair, Gillian Fuqua, Steven Dellinger-Pate, Mark Kline

**Others Present:** David Delcore, Erin Mooney, Beth Parker, David Lawrence, Kate McCann, Michael Sherwin, Michelle Ksepka, ORCA Media,

**1. Call to Order:** Flor Diaz Smith called the meeting to order at 6:01 p.m.

**2. Welcome**

**2.1. Adjustments to the Agenda:** Flor Diaz Smith noted that we will not be addressing items 8.3 and 8.4 re: policies.

**2.2. Reception of Guests:** Flor Diaz Smith welcomed guests.

**2.3. Public Comments:** Time limit strictly enforced, see note. Erin Mooney read a statement on behalf of the Educators Association at WCUUSD; the topic of the statement: affordable prescription drugs.

3. **Presentation and Discussion: *Student Achievement Monitoring Report*:** Kari Bradley introduced a slide deck student progress report from the most recent Education Quality Committee meeting. Jen Miller Arsenault and Kari Bradley co-facilitated the presentation.

**What priorities come to mind following this presentation?** Chris McVeigh: how is our district's experience different with free and reduced lunch & IEP students as opposed to the state as a whole. Why is there such a discrepancy between our cohort of students and the state as a whole? Jen Miller Arsenault clarified that the state data does not share that information disaggregated. Chris McVeigh: this would still be a concern, within WCUUSD - how to address the discrepancy? Joshua Sevits: the number of touchpoints that students noted as they near graduation. Is it worth thinking about how we can engage parents in the post-high school part of students' lives? e.g. career fairs only for parents. Jonas Eno-Van Fleet: graduation rates - there are other ways for students to have a successful exit from our system. (There are successes that are not included in the graduation rate.) What is the percentage of students that are *not* having successful exits from our system? Testing data: it is hard to put into context without having a benchmark. Are there other ways to benchmark the data? (e.g. numbers from neighboring districts?) Daniel Keeney: "proficiency" - measuring proficiency as if nothing extraordinary happened in the last two years within the education system (e.g. COVID-19) - the question of what was supposed to be and what is the reality? Our school's outcomes year to year - frustration with the state choosing different assessments year to year - would be useful to consistently stay with a measure so that we could compare over time. Diane Nichols-Fleming: it is up to us to identify what we want to compare for our data. How do the opportunities of learning in our district compare to districts around us? or in the state? or other states? What are the parameters around "quality" that we want to examine as an Ed Quality Committee? Ursula Stanley: larger benchmark assessments are useful but don't let us look at detail or growth data. She expressed interest in looking at our local assessments. No matter what data we use, no matter the benchmarks, we can see that there is a gap between students and those with free & reduced lunch/ IEP. We need to look at our own students and make our own decisions about what we consider "quality". Flor Diaz Smith: we have set a goal as far as budget parameter - how do we measure success; how can we leverage our qualitative data to test our assumptions in measuring what success is? Maggie Weiss: have we heard from staff about whether they feel adequately staffed to provide supports to help students be high achieving? Specifically, students who are on ESTs or 504s - how are these students going to perform if there is a daily issue of adequate support? She suggested using a staff survey (around supports that are not mandated such as they are in an IEP). Kari Bradley: teacher voice is also important in this analysis.

**How did you feel about the data presentation? How could it be improved?**

Jonas Eno-Van Fleet - more data, data over time, rawer data, more charts. The board is clear that we want to see the gap shrink - there has to be a better way of seeing change over time - the idea of tracking a cohort. If we want to see improvement, we need to see more granular data. We are not an island - it makes sense to compare with other districts for context. Diane Nichols-Fleming - finding the balance - how much time do we have on the agenda? How does the board want to see it? Are we looking wide or are we looking deep? Would be useful as a

board to define when is the time that the board as a whole can dig into data. Understanding priorities; then understanding what the board wants to do re: time on the agenda. Chris McVeigh - would like to see more of a narrative and some theorizing as to “why” - reasons, factors - this would help the board determine what to focus on. We are limited in some things that we are able to impact; others we cannot impact. Ursula Stanley - How often does the board want to do a deep dive with more data? Ed Quality is talking about a year long monitoring cycle. Does the board have an idea of how often they want to take this deep dive to work into the board work plan? Kari Bradley thanked the board for the rich discussion.

#### **4. Reports to the Board**

- 4.1. Student Report:** Mya and Willow reported to the board. They shared recent happenings such as the fall sports banquet, theater performances, athletic events. They shared that this week begins peer mentoring with high school students partnering with elementary age students.
- 4.2. Superintendent/Central Office Leadership Team (COLT) Report:** Meagan Roy had provided a written report. She highlighted issues around school safety and cyber security. She invited questions or feedback from the board. Flor Diaz Smith thanked the administrators for the format of the report.
- 4.3. Principal Report:** (included above)
- 4.4. VSA/VSBA Conference Debrief:** Flor Diaz Smith had shared an email with the board to debrief from the conference. Flor Diaz Smith shared some of the take a way/ analogies: How boards govern from the fire tower as opposed to managing and being in the fire. What do kids bring “in the backpack” from home and their unique experiences? Ursula Stanley shared from her experience at the conference. She shared that some students spoke about their involvement with school boards at a deeper level. For example, students meeting in teams or sub-committees (e.g. equity). She spoke about the student -created “Listen Up.” Maya and Willow spoke about a greater desire from more students to be involved; they suggested providing opportunities for students to participate during the school day or via electronic means (versus attending board meetings at nights). Flor Diaz Smith shared that all of the resolutions were approved at the meeting.
- 4.5. Central Vermont Career Center Report:** Jody Emerson will be coming to the December 7<sup>th</sup> meeting and presenting its budget. This will be the first time that the towns are going to vote for the Career Center budget.

#### **5. Board Operations**

- 5.1. Superintendent Evaluation Rubric:** The rubric which comes from a VSBA template was shared with board members. Meagan Roy shared that the Steering Committee had created a column in the rubric to include possible indicators for each item. **Ursula Stanley moved that the board accept the Superintendent Evaluation Rubric. Seconded by Daniel Keeney.** Discussion: Daniel Keeney asked, what would be the timeline to provide feedback or ideas for the indicators column. He asked what is the timeline for this? Kari Bradley

shared that this will likely be shared in January so that the board could discuss this in February and have it wrapped up before Town Meeting Day. He noted that any suggested changes to the rubric can be shared within the next month. **This motion carried unanimously.**

- 5.2. Staff Appreciation:** Diane Nichols-Fleming indicated that administrators had shared that the second Wednesday of the month would be ideal for joining staff meetings. She reminded the board that this is a “listening tour” for the board - a time to hear from staff and listen. She shared her gratitude for all of the work that is happening in all of the buildings. She also noted that she appreciates the administrators’ reports that provide information and opportunities for board members to join building celebrations.
- 5.3. Mailing School Ballots:** Flor Diaz Smith had shared a model letter for board members to attend each town’s select board meeting to ask their approval for mailing ballots. Lindy Johnson: East Montpelier; Chris McVeigh: Middlesex; Daniel Keeney: Calais; Jonathan Goddard: Berlin; Mckalyn Leclerc: Worcester. **Chris McVeigh moved to provide mail ballot options for the school district for all registered voters for 2023-24. Diane Nichols-Fleming seconded. This motion carried unanimously.**
- 5.4. Visioning:** Meagan Roy spoke about the idea of strategic planning, specifically authentic community engagement to inform long term planning. She and Flor Diaz Smith had shared a memo with the board explaining the desire to engage with a consultant to facilitate the work. Chris McVeigh stated that if the goal is to engage the community, should we involve community members in the initial process of framing the questions. Meagan Roy stated that part of the process that the consultant does is create the process of how to engage the community. However, both she and Flor Diaz Smith stated that if the date that is agreed upon works for a couple of community members to join, that would be ok. Some discussion followed about when would be the most appropriate time to invite the community into the process. **Ursula Stanley moved that the board accept the working group for the RFP for the visioning and planning. Seconded by Eric Andersen. This motion carried unanimously.**

**6. Presentation: Budget Draft # 1-Level Service Budget**

- 6.1. Review and Discuss FY 2023-24 Budget Draft # 1:** Superintendent Roy and Susanne Gann presented a slide deck explaining the first draft for budget development, representing a “level service” budget.
- 6.2. Budget Parameters:** Flor Diaz Smith had provided a memo for board members to consider, in preparation of discussing budget parameters. Mckalyn Leclerc asked what standards there are around support staff to student ratio. Superintendent Roy stated that she can provide information to the board about support staff but she is not sure she can provide comparative data. Kari Bradley spoke about the idea of class size, with the idea that sometimes class size can be “too small.” Superintendent Roy stated that the point at which class size affects students negatively is when the class gets very large, for example, in the 30s. This is typically not an issue in Vermont. She stated that in 2020, Washington Central had indicated that ten was the minimal class size; she intends to update this next month.

Flor Diaz Smith spoke about Para educator and support staff practice. Superintendent Roy again indicated that some research has been shared about Para educator staffing patterns and that Act 173 addresses issues around Para educator staffing; and that she will bring more information to the board at the December budget development meeting. Jonas Eno-Van Fleet stated that the parameters Flor Diaz Smith had shared reflect his same opinions about budget parameters. Joshua Sevits asked whether the list of parameters is ordered by priority. Flor explained that the list is not necessarily in order of priority. Kari Bradley stated that #6 and #7 are less important to him and in his mind are within the purview of administrators. Chris McVeigh spoke about positions that are ESSER funded and the long term planning around building them into the budgets. Ursula Stanley would like to include social emotional learning/ skills/ supports in the parameters. Superintendent Roy stated that the leadership team sees that as part of MTSS. Diane Nichols-Fleming asked whether item #7 is alluding to consolidating; she wants to be sure that the board is not giving the board that direction. Flor Diaz Smith stated that the intention is to give the administration the freedom to think creatively around student enrollment, class size, staffing, etc. Chris McVeigh asked that if class size consolidation was a topic of discussion then he would like for this to be intra-school versus inter-school. Superintendent Roy stated that the way she sees the “creativity” parameter is giving permission to consider how do we structure ourselves, including considering staffing? She noted that if the administration goes through the exercise of working to meet the board’s parameters and does not think there is a tenable solution, they will come back to the board and share this. The creativity piece provides the opportunity to think about tenable solutions. Diane Nichols-Fleming stated that she wants the community to know that we are being as transparent as we possibly can. If we are talking about enlisting more community engagement, then it will be important for us to communicate transparently. She appreciates the superintendent’s statement that the administration will come back to the board and explain that the parameters are not tenable if that is the case. Jonathan Goddard stated that with increased community engagement, we might be better able to explain to the community the impetus for a higher budget rather than “threading the needle” with the smallest budget possible that might not meet the needs of all students. Jonas Eno-Van Fleet reiterated what Jonathan Goddard expressed. He asked when the threshold penalty is calculated. Susanne Gann stated that it is based on the budget compared to equalized pupils. She explained that the threshold penalty is on hold at the moment though. Kari Bradley stated that if we are aiming to come in below the rate of inflation, we also need to realize that our community’s ability to pay may have been stretched thinner this year. Ursula Stanley indicated that she is comfortable with the 6% parameter as a starting point, with the understanding that the administration might come back and indicate that this is untenable. Mckalyn Leclerc suggested that if 6% is an impossible ask, then it seems to make more sense to set the initial parameter at 7%. **Chris McVeigh moved to accept the budget parameters 1 through 5 as indicated in the memo as discussed tonight. Seconded by Daniel Keeney.** Discussion: Flor Diaz Smith clarified, that the board is accepting of the administration to think creatively. Chris McVeigh

indicated that, as Kari Bradley had stated, he does not feel that using “creativity” as a parameter is within the purview of the board. Ursula Stanley asked what is the impetus behind leaving out the parameter around cyber security. She also noted that she had been part of the discussion and that she had agreed to leaving the “creativity” parameter. **Chris McVeigh agreed to amend the motion to include #1-#5, plus #7. This amendment was accepted by Daniel Keeney. This motion carried unanimously.** Superintendent Roy thanked the board for the direction and the work on the parameters.

## **7. Finance Committee**

### **7.1. Discussion/Action**

- 7.1.1. Approve Use of Capital Funds for EMES Doors:** Ursula Stanley moved that the Board approve the use of the capital improvement fund reserved for EMES to pay for the replacement of interior doors for an amount not to exceed \$8,371. Seconded by Lindy Johnson, this motion carried unanimously.
- 7.1.2. Authorize Superintendent to Award Bids for Liquid Heating Fuels:** Ursula Stanley moved that the Board authorize the Superintendent to award bids for propane and #2 fuel oil on behalf of Washington Central Unified Union School District (WCUUSD) for Fiscal Year 2023-24. Seconded by Mckalyn Leclerc, this motion carried unanimously.
- 7.1.3. Calais Wood Chip Boiler:** Lindy Johnson moved that the Board authorize a revised total budget from the capital reserve funds, not to exceed \$475,000, for replacing the wood chip boiler at Calais Elementary School with a pellet boiler system. Seconded by Eric Andersen. Discussion: Chris McVeigh stated that if there is any consideration of consolidation of schools, he has concerns about spending this amount of money. If there is a sense of consolidation on the horizon, then he is not in favor of this. Susanne Gann shared that this is the oldest system in the state; there is not an immediate concern that it will fail, but this is in the spirit of maintaining our facilities. Daniel Keeney shared that the cost went up on this project because the scope of work changed. Superintendent Roy shared that while we consider all, and other options, we are still in the position of maintaining our current assets and facilities. **This motion carried unanimously.**
- 7.1.4. Approval of ERU Prequalified Contractors:** Eric Andersen moved that the Board prequalifies Alliance Group, Avonda Air Systems, Sheet Metal/Thomas Mechanical, Vermont Mechanical and VHV as bidders for the U-32 ERU replacement project. Seconded by Daniel Keeney, this motion carried unanimously. Flor Diaz Smith thanked Chris and Bill Ford for the work that they continue to do.

## **8. Policy Committee**

- 8.1. Policy Memo:** Chris McVeigh thanked Superintendent Roy for spelling this out in a memo to the board. Chris McVeigh shared from the Policy Committee meeting

yesterday: regarding the weapons and firearms policy, there is an intention to give more discretion to building administrators, but this policy is not ready for board review tonight. He invited comment or discussion on Policy F2: Non-Discriminatory Mascots & Branding. Ursula Stanley asked for clarification about the tracking changes notation in the document. Chris McVeigh stated that the committee had discussed whether to incorporate timelines for board response to complaints. He asked what would be the will of the board around timelines. Ursula Stanley stated that she approves having a time frame between the time when a complaint is made and the board holds a hearing. Flor Diaz Smith stated that she appreciates the 45-day timeline because it allows for some flexibility. Superintendent Roy guesses that the 45-day timeline in the model policy is due to the experience which led to the policy development, which was some contentious and drawn out situations around mascots and branding. Chris McVeigh stated that the Policy Committee will bring back a time frame at the next meeting. Daniel Keeney and Ursula Stanley had suggested using language around “good faith” or “expedient” rather than indicating actual days as a time frame in the policy.

**8.2. First Reading for Policy to be Adopted on 12.21.22: F2 Non- Discriminatory**

**Mascots Branding:** The board had a first read and discussed this as noted above.

**8.3. First Reading for Policy to be Adopted on 12.21.22: C5 Weapons and Firearms** (this was not included tonight.)

**8.4. First Reading for Policy to be Adopted on 12.21.22: Building Access:** (this was not included tonight.)

**8.5. School Choice Policy:** Discussion about community input: Chris McVeigh invited input from the board on behalf of the Policy Committee, around community engagement in a School Choice Policy. Kari Bradley suggested that the committee draft a policy first so that the community has something concrete to respond to and engage with. Lindy Johnson indicated that there have been some drafts of these policies in the past.

**9. Consent Agenda**

**9.1. Approve Minutes of 10.19.22, 11.2.22: Chris McVeigh moved to approve the minutes of October 19 and November 2, 2022. Seconded by Jonas Eno-Van Fleet. Mckalyn Leclerc clarified spelling of a name on November 2 minutes: *Bekah Mandell*. This motion carried unanimously with this correction.**

**9.2. Approve Board Orders: Lindy Johnson moved to approve the board orders dated 10-22-22 through 11-16-22, in the amount of \$846,589.50 Seconded by Eric Andersen. Discussion: Kari Bradley shared that his son is listed in the board orders as receiving a scholarship; he had graduated several years prior and Kari Bradley expressed gratitude but noted that he had nothing to do with this scholarship award/ decision. This motion carried unanimously.**

## **10. Personnel**

**10.1. Approve New Teachers, Resignations, Leave of Absence, and Changes in FTE:** Lindy Johnson moved to approve the hire of Annalissa Kirby – Special Education Teacher – Berlin. Seconded by Daniel Keeney; this motion carried unanimously.

**10.2. Update on Vacancies:** Superintendent Roy shared that filling this most recent position brings us to a better position in professional positions. We are continuing to seek an SLP position, and we continue to seek custodial and foodservice positions. Additionally, there are some long-term sub positions that are being sought. Steven Dellinger-Pate stated that he is teaching a section of math.

**11. Executive Session for Negotiations:** At 9:02, Jonas Eno-Van Fleet moved to go into Executive Session for the purpose of discussing negotiations, and to include Superintendent Roy and Susanne Gann. Seconded by Chris McVeigh, this motion carried unanimously and the board went into Executive Session. At 9:12 Jonas Eno-Van Fleet moved to leave Executive Session. This motion carried unanimously.

## **12. Future Agenda Items**

**12.1. Board Goals and Calendar:** Superintendent Roy shared the upcoming board calendar. The December 7th meeting is at Calais School.

**12.2. Central Vermont Career Center Budgeting:** Jody Emerson will present this at the December meeting.

**12.3.** December 21 will be a virtual meeting; the second draft budget will be presented based on tonight's discussion.

**12.4.** Address the mail in ballot issue (board members will report from their local town select board meetings).

**13. Board Reflection:** Daniel Keeney asked for some background around the Equity in Scholar position. Superintendent Roy shared that she will address this at the December 7th presentation.

**14. Public Comments:** Flor Diaz Smith invited public comment.

**15. Adjourn:** The board adjourned by consensus at 9:15 p.m.

Respectfully submitted,  
Lisa Grace, Board Recording Secretary



# Washington Central Unified Union School District

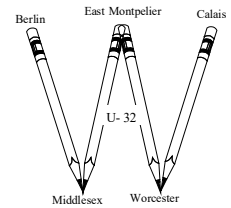
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*WCUUSD exists to nurture and inspire in all students the passion, creativity and power to contribute to their local and global communities.*

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1130 Gallison Hill Road  
Montpelier, VT 05602  
Phone (802) 229-0553  
Fax (802) 229-2761

Meagan Roy Ed.D.  
Superintendent



**Washington Central Unified Union School District  
Special School Board Meeting  
(Virtual Only)  
Central Office  
1130 Gallison Hill Rd. Montpelier, VT  
12.1.22 7:30 PM**

**Board Members:** Flor Diaz Smith, Jonas Eno-Van Fleet, Ursula Stanley, Eric Andersen, Chris McVeigh, Daniel Keeney, Diane Nichols-Fleming, Kari Bradley, Lindy Johnson, Maggie Weiss

**Others:** Meagan Roy, Steven Dellinger-Pate, Amy Molina, Student Family Members

- 1. Call to Order:** Flor Diaz Smith called the meeting to order at 7:30 p.m.
- 2. Executive Session - Student Matter:**

At 7:32 p.m., Jonas Eno-Van Fleet moved that the Board enter into executive session for the purpose of considering matters related to the discipline of students as authorized by 21 V.S.A. Section 313(a)(7) to include Meagan Roy, Steven Dellinger-Pate, Amy Molina, and Student Family Members. Seconded by Chris McVeigh, this motion carried unanimously.

At 8:20 p.m., Jonas Eno-Van Fleet moved to leave Executive Session. Seconded by Ursula Stanley, this motion carried unanimously.

During Executive Session the Board discussed a Student Matter. **Jonas Eno-Van Fleet moved to affirm the Administration's decision regarding the related discipline in the confidential Student Matter.** Seconded by Lindy Johnson, this motion carried unanimously.

- 3. Adjourn:** At 8:21 p.m., Jonas Eno-Van Fleet moved to adjourn. Seconded by Ursula Stanley, this motion carried unanimously.

# Washington Central Unified Union School District

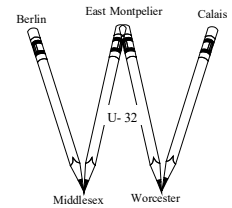
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*WCUUSD exists to nurture and inspire in all students the passion, creativity and power to contribute to their local and global communities.*

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Meagan Roy Ed.D.  
Superintendent



**Washington Central Unified Union School District  
Community Forum  
(IN-PERSON w/ Virtual Option)  
Calais Elementary School  
Gymnasium  
321 Lightening Ridge Rd.  
Plainfield, VT  
12.7.22 6:15-8:30 PM**

**Board Members Present:** Diane Nichols-Fleming, Ursula Stanley, Lindy Johnson, Chris McVeigh, Daniel Keeney, Mckalyn Leclerc, Kari Bradley, Flor Diaz Smith, Joshua Sevits, Maggie Weiss

**Administrators Present:** Superintendent Meagan Roy, Jen Miller-Arsenault, Kerra Holden, Susanne Gann, Cat Fair, Steven Dellinger-Pate, Alicia Lyford

**Others Present:** Michelle Ksepka, ORCA Media, Mark Kline, Shelley Vermilya, Jody Emerson, Lucinda Garthwaite

## **1. Community Forum**

### **1.1. Presentation: Equity Scholar Program:** Identifying Outcomes (Lucinda Garthwaite)

- 2. Call to Order: Flor Diaz Smith called the meeting to order at 6:18 p.m.** Superintendent Roy introduced Lucinda Garthwaite, Director of ILI: Institute of Liberatory Innovation. Lucinda Garthwaite thanked Principal Steven Dellinger-Pate for partnering with ILI and participating in the Equity Scholar Program. She explained the work of Shelley Vermilya, Equity Scholar in Residence. She invited questions or feedback from the board. Kari Bradley asked, what do you see as the key limiting factors to having an impact, or to moving this forward? She replied that inequity in schools is terribly urgent. Chris McVeigh asked, how do you know when the needle has moved? Lucinda Garthwaite replied that the next step is to reach out to students and families for anecdotal evidence and narratives about what has impacted them in a positive way; then define and collect data on the behaviors to collect quantitative data, and then to measure the climate of the school. Diane Nichols-Fleming asked whether WCUUSD is the only district that

ILI is currently working with. Lucinda Garthwaite indicated that WCUUSD is currently the only one; however other districts have reached out; they do not have the capacity to team with other schools yet. Some discussion followed around making it known to the community that Shelley Vermilya is available to them as a scholar. There was some conversation about how Shelley Vermilya as Equity Scholar works with the elementary schools; for example, having discussion opportunities with staff, providing resources, working together with teachers in classrooms as requested. Diane Nichols-Fleming asked whether Shelley Vermilya could be available to the board as we grapple with equity issues. Some discussion followed around the idea of Shelley as a limited resource with limited capacity. Maggie Weiss asked, when resources are being shared, is there some compilation made available? To not duplicate the same work and to share new learning among the schools at WCUUSD. Superintendent Roy stated that she and Jen Miller-Arsenault have begun conversation about having a link on the website related to Equity Scholar work; this could also be a place to access shared resources.

3. **Central Vermont Career Center (CVCC) Budget Presentation (Jody Emerson):** Jody Emerson presented to the board a slide show: *CVCCSD Budget Overview, Fiscal Year 2024*. Flor Diaz Smith invited questions from board members. Maggie Weiss noted that it will be very important to share the information with our communities about how CVCCSD is funded through school districts (within the budget). Jody Emerson stated that there will be a postcard mailing which will explain this concept. Chris McVeigh asked whether the voting ballot can explain the funding within the actual verbiage of the ballot.
4. **Superintendent Goal Presentation:** Superintendent Roy shared a slideshow around Year One goals. She stated that long-range system goals will come in the future. The three goal areas: Educational & Academic Outcomes, Broadening Communication with the Community, Long Term Planning. She shared that she sees goals as iterative, and she invited feedback from the board. Diane Nichols-Fleming stated that she appreciates the clarity around the process. Chris McVeigh asked whether Superintendent Roy has run into any obstacles that she was not expecting. She replied that any of the obstacles are the same that are universal and are not unanticipated (e.g. budget development, equity, etc.) Flor Diaz Smith stated that the Steering Committee has had time to consider this document. She stated that her hope for this first year is growth from the board as well as the superintendent. Lindy Johnson stated that the organization of this goals document aligns with the work of the committees. Kari Bradley shared that in the future the hope is that there is more than one point in the year for feedback to the superintendent from the board.
5. **Reports**
  - 5.1. **Approval of Prequalified Contractors for Parking Lot Project:** Chris McVeigh moved that the Board prequalifies: Dirt Tech Company, LLC, Engineers Construction, Inc., Farrington Construction Co. Inc., G.W. Tatro Construction, Inc., J. Hutchins, Inc., J.A. McDonald, Inc., Kingsbury Companies and S.D. Ireland Brothers Corporation as

**bidders for the U-32 Parking Lot and Sidewalk replacement project. Seconded by Lindy Johnson, this motion carried unanimously.**

- 5.2. Approve New Teachers, Resignations, Leave of Absence, and Changes in FTE: Lindy Johnson moved to appoint Alex Donelson as long term substitute for U-32 Math teacher. Seconded by Daniel Keeney, this motion carried unanimously.** Superintendent Roy stated that we are almost fully staffed with the exception of SLPs and that we continue to be unable to fill positions in food service and custodial staff at U-32, as well as substitutes. **At 8:07, Chris McVeigh moved to adjourn the public session of the meeting. Seconded by Lindy Johnson, this motion carried unanimously.**

- 6. EXECUTIVE SESSION: At 8:09, Diane Nichols-Fleming moved to go into Executive Session for the purpose of discussing negotiations, and to include Meagan Roy. Seconded by Daniel Keeney, this motion carried unanimously and the board moved into Executive Session in the Calais Elementary Library.**

Respectfully submitted,

Lisa Grace, Board Recording Secretary

**WCUUSD School Board**  
**Superintendent Personnel Summary and Recommendations**  
**(as of December 15, 2022)**

- 1. New Teacher Nominations (for 22-23 school year)**
- 2. Retirement**
- 3. Resignations**
- 4. Extended Leave of Absence Request**  
Daisy Scarzello – U-32 MS Science Teacher
- 5. Change in FTE**
- 6. Long Term Substitutes (22-23 School Year)**
- 7. Change in Position (22-23)**

November 27, 2022

WCUUSD School Board  
970 Gallison Hill Road  
East Montpelier, Vermont 05602

Dear Members of the School Board,

I would like to request a one year leave of absence for the 2023/24 school year for personal reasons.

This is my thirteenth year teaching Middle School at U-32. During this time I have fostered many relationships with students, colleagues and the surrounding community. These relationships have allowed me to grow as an educator, leader of my department, and as an individual. I look forward to continuing these relationships and my service to the district for many more years after my leave.

I am happy to assist in any necessary preparations to ensure a smooth transition for the year. I could also be available to assist with training, mentoring, and/or curricular support intermittently throughout the year of absence if so desired.

Thank you very much for your consideration in providing me this opportunity for personal leave.

Warm Regards,  
Daisy Scarzello

A handwritten signature in dark ink, appearing to read 'Daisy Scarzello', with a long horizontal flourish extending to the right.