

**DANVILLE TOWN SCHOOL DISTRICT  
DANVILLE, VERMONT**

**FINANCIAL STATEMENTS  
JUNE 30, 2022  
AND  
INDEPENDENT AUDITOR'S REPORTS**

DANVILLE TOWN SCHOOL DISTRICT

JUNE 30, 2022

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## INDEPENDENT AUDITOR'S REPORT

The Board of Education  
Danville Town School District

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

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

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

### ***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 (*Government Auditing Standards*). 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 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 District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules 1 and 2 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.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 12, 2023 on our consideration of the District's internal control over financial reporting; on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements; and on other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 District's internal control over financial reporting and compliance.

Montpelier, Vermont  
April 12, 2023

*Melgett Jenett* 9  
*Mark Wain, P.C.*

**DANVILLE TOWN SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

This discussion and analysis of the financial performance of the Danville Town School District (the District) provides an overview of the District's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the District's financial statements which follow this analysis.

**Financial Highlights**

- The District's net position decreased by \$187,358, or 3.4%.
- The cost of all the District's programs was \$8,163,617 for 2022 compared to \$8,276,799 for 2021.
- The General Fund reported a decrease in fund balance this year of \$345,261. In fiscal year 2021, the General Fund reported an increase in fund balance of \$557,320.
- The General Fund has a fund balance of \$742,367 at June 30, 2022 compared to \$1,087,628 for 2021.
- The Grants Fund's fund balance was \$12,651 at June 30, 2022 and \$7,651 at June 30, 2021.
- The Permanent Fund's fund balance decreased from \$694,588, as restated, at June 30, 2021 to \$620,563 at June 30, 2022, a decrease of \$74,025, due to a decline in the value of its investments.
- The Special Revenue Fund's fund balance decreased \$98,047 from \$639,089, as restated, at June 30, 2021 to \$541,042 at June 30, 2022, large due to a decline in the value of its investments.
- The Fund balance of the Other Governmental Funds, which is comprised of the Construction Fund and the Student Activities Fund, remained the same at \$91,300, at June 30, 2021 and June 30, 2022. Of this \$91,300 fund balance, \$27,670 is committed to future capital projects in the Construction Fund, and \$63,630 is assigned for the Student Activities Fund.

**Using This Annual Report**

This annual report consists of a series of financial statements. The Government-wide Statement of Net Position and the Government-wide Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. The governmental fund financial statements, the Balance Sheet - Governmental Funds, the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds, and the Statement of Revenues and Expenditures - Budget and Actual - General Fund, provide information about the District's governmental funds. These statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

*Reporting the District as a Whole*

The financial statements of the District as a whole are provided in the Government-wide Statement of Net Position and the Government-wide Statement of Activities. One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The Government-wide Statement of Net Position and the Government-wide Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District’s net position and change in net position. The District’s net position, the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, is one way to measure the District’s financial health. Over time, increases or decreases in the District’s net position are one indicator of whether its financial health is improving or deteriorating. Other non-financial factors, however, such as changes in the District’s student population, should be considered as well to assess the overall health of the District.

All of the District’s basic services are governmental activities. They include general education, special education, early education, student support, food service, capital asset improvements and additions, and fiscal services. The State of Vermont education spending grant and other state and federal grants finance most of these activities.

*Reporting the District’s Governmental Funds*

The financial statements of the District’s major governmental funds are reflected in the fund financial statements. The fund financial statements provide detailed information about the most significant funds, not the District as a whole. Some funds are required to be established by state law. The Board has established funds to help it control and manage money for particular purposes and to show that it is meeting legal responsibilities for using certain grants and other money (such as grants received from the State of Vermont Agency of Education).

*Governmental Funds*

All of the District’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using the modified accrual accounting method, which measures cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District’s general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District’s activities and programs.

**The District as a Whole**

The analysis below focuses on the net position (Table 1) and the change in net position (Table 2) of the District’s governmental activities:

Table 1  
Net Position

	<u>2022</u>	<u>2021</u>	<u>Net Change</u>
<i>Assets</i>		<u>As restated</u>	
Current assets	\$2,391,725	\$2,880,613	\$ (488,888)
Noncurrent assets	<u>3,401,933</u>	<u>3,194,274</u>	<u>207,659</u>
<i>Total Assets</i>	<u>5,793,658</u>	<u>6,074,887</u>	<u>(281,229)</u>
<i>Deferred outflows of resources</i>	<u>62,188</u>	<u>75,601</u>	<u>(13,413)</u>
<i>Liabilities</i>			
Current liabilities	380,150	473,751	(93,601)
Noncurrent liabilities	<u>129,489</u>	<u>205,126</u>	<u>(75,637)</u>
<i>Total Liabilities</i>	<u>509,639</u>	<u>678,877</u>	<u>(169,238)</u>

	<u>2022</u>	<u>2021</u> <u>As restated</u>	<u>Net Change</u>
<i>Deferred inflows of resources</i>	<u>90,141</u>	<u>28,187</u>	<u>61,954</u>
<i>Net Position</i>			
Net investment in capital assets	3,401,933	3,077,588	324,345
Restricted	1,260,780	1,424,337	(163,557)
Unrestricted	<u>593,353</u>	<u>941,499</u>	<u>(348,146)</u>
<i>Total Net Position</i>	<u>\$5,256,066</u>	<u>\$5,443,424</u>	<u>\$ (187,358)</u>

The Statement of Net Position shows total assets of the District at June 30, 2022 are \$5,793,658, a decrease of \$281,229 or 4.6% from the balance of \$6,074,887, as restated, at June 30, 2021.

Of the reported June 30, 2022 total assets balance, \$2,391,725 or 41.3% represents current assets (cash and cash equivalents, investments, and receivables due from other districts) compared to the prior year when \$2,880,613 or 47.4% represented current assets. Noncurrent assets represent net capital assets (land and improvements, buildings and improvements, equipment, and vehicles with related depreciation). At June 30, 2022, this balance is 58.7% of total assets or \$3,401,933 compared to the balance of \$3,194,274 at June 30, 2021 that represented 52.6% of total assets.

Total deferred outflows of resources consist of deferred pension expense of \$62,188 at June 30, 2022, compared to \$75,601 at June 30, 2021, and are related to the District's participation in the Vermont Municipal Employees' Retirement System (VMERS).

Reported total liabilities of the District are \$509,639 at year end compared to \$678,877 at June 30, 2021. Of the June 30, 2022 total liabilities balance, \$380,150 or 74.6% represents current liabilities (payables and accrued expenses). This compares to current liabilities of \$473,751 or 69.8% of the total liabilities balance at June 30, 2021. Noncurrent liabilities at June 30, 2022 are \$129,489 or 25.4% of the total liabilities balance, compared to \$205,126 or 30.2% at June 30, 2021. Noncurrent liabilities include the net pension liability for fiscal year 2022.

Reported deferred inflows of resources of the District are \$90,141 at year end compared to \$28,187 at June 30, 2021. The deferred inflows of resources of the District consist of deferred grant revenue of \$3,652 and deferred pension credits of \$86,489 which are related to the District's participation in VMERS.

Net position of the District is \$5,256,066 at June 30, 2022, compared to \$5,443,424, as restated, at June 30, 2021. \$3,401,933 represents a net investment in capital assets (cost of capital assets minus accumulated depreciation and any debt related to the acquisition of these assets) at June 30, 2022. Restricted net position is \$1,260,780 which is related to the nonspendable and restricted balances in the Permanent, Special Revenue and Grants Funds, and the committed balances in the General Fund and the Construction Fund.



The schedule below presents summarized comparative information from the District's Statement of Activities for the years ended June 30, 2022 and 2021:

Table 2  
Change in Net Position

	<u>2022</u>	<u>2021</u>	<u>Net Change</u>
<i>Expenses</i>			
Education	\$8,130,811	\$8,185,267	\$ (54,456)
Food service	-	55,605	(55,605)
Scholarships	13,100	11,650	1,450
Interest	19,706	24,277	(4,571)
<i>Total Expenses</i>	<u>8,163,617</u>	<u>8,276,799</u>	<u>(113,182)</u>
<i>Program Revenues</i>			
Grants and contributions	1,607,433	2,515,050	(907,617)
Charges for services	802,369	1,029,503	(227,134)
Other	162,266	66,443	95,823
<i>Total Program Revenues</i>	<u>2,572,068</u>	<u>3,610,996</u>	<u>(1,038,928)</u>
<i>General Revenues</i>			
Education spending grant	5,500,341	5,550,834	(50,493)
Investment income (loss)	(96,150)	182,333	(278,483)
<i>Total General Revenues</i>	<u>5,404,191</u>	<u>5,733,167</u>	<u>(328,976)</u>
<i>Change in Net Position</i>	<u>\$ (187,358)</u>	<u>\$1,067,364</u>	<u>\$ (1,254,722)</u>

Expenses include all governmental expenditures plus depreciation expense on capital assets, but exclude principal payments on long-term liabilities and the costs related to capital asset purchases. Program revenues are equal to expenses for specific programs. Program revenues are derived from three sources: grants and contributions, charges for services, and other sources.

General revenues received by the District during the year ended June 30, 2022 include \$5,500,341 from the State of Vermont Education Spending Grant compared to \$5,550,834 received during the prior fiscal year. General revenues also include \$96,150 of investment loss versus \$182,333 in investment income in the prior fiscal year.

Interfund transfers are eliminated in the Government-wide Statement of Activities.

The net program costs of \$5,591,549 were more than the general revenues of \$5,404,191 and resulted in a decrease in net position of \$187,358, as compared to the prior fiscal year, when net program costs of \$4,665,803 were less than general revenues of \$5,733,167 and resulted in an increase in net position of \$1,067,364.

### **The District's Funds**

The General Fund, the principal operating fund of the District, reported fund revenues less than expenditures and other financing uses, resulting in a decrease of \$345,261 in the fund balance to \$742,367.

The Grants Fund reports a \$5,000 increase in the fund balance during fiscal year 2022.

The Permanent Fund reports resources held in trust by the District for the benefit of the District. There was a decrease of \$74,025 in the fund balance during fiscal year 2022.

The Special Revenue Fund's fund balance decreased \$639,089, as restated, at June 30, 2021 to \$541,042 at June 30, 2022.

The nonmajor governmental funds, consisting of the Construction Fund, and the Student Activities Fund, are consolidated in the fund financial statements as Other Governmental Funds. There was no change in the \$91,300 fund balance of these funds for the year.

### **Capital Assets and Debt Administration**

At June 30, 2022, the District had invested \$7,727,621 in a broad range of capital assets that include land, buildings and related improvements, and equipment. The net value of the District's capital assets, after deducting accumulated depreciation of \$4,325,688, is \$3,401,933. Depreciation expense related to these capital assets was \$197,244 for the fiscal year. The District added \$404,903 in buildings and improvements this fiscal year, and disposed of five buses.

### **General Fund Budgetary Highlights**

Financial reports reviewed by the Board served as the vehicle for monitoring the budget for the fiscal year.

Actual General Fund revenues were \$19,642 more than expenditures during the fiscal year. The budget and actual variances that are reported are \$68,133 more in actual revenues and \$48,491 more in actual expenditures, which resulted in a net change in fund balance of \$19,642.

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

The District is financially stable, committed to providing a quality education, and proud of the community support of its public school. This analysis is designed to provide the citizens, taxpayers, customers, and investors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance and Operations Manager at Caledonia Central Supervisory Union, PO Box 216, Danville, Vermont 05828.

**DANVILLE TOWN SCHOOL DISTRICT**  
**GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Current assets -	
Cash and cash equivalents	\$ 805,288
Investments	1,068,179
Due from other districts	<u>518,258</u>
Total current assets	<u>2,391,725</u>
Noncurrent assets -	
Capital assets	7,727,621
less - accumulated depreciation	<u>(4,325,688)</u>
Total noncurrent assets	<u>3,401,933</u>
Total assets	<u>5,793,658</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>	
Deferred pension expense	<u>62,188</u>
<b>LIABILITIES:</b>	
Current liabilities -	
Accounts payable	35,467
Accrued expenses	<u>344,683</u>
Total current liabilities	<u>380,150</u>
Noncurrent liabilities -	
Net pension liability	<u>129,489</u>
Total liabilities	<u>509,639</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
Deferred grant revenue	3,652
Deferred pension credits	<u>86,489</u>
Total deferred inflows of resources	<u>90,141</u>
<b>NET POSITION:</b>	
Net investment in capital assets	3,401,933
Restricted	1,260,780
Unrestricted	<u>593,353</u>
Total net position	<u>\$ 5,256,066</u>

The notes to financial statements are an integral part of this statement.

**DANVILLE TOWN SCHOOL DISTRICT  
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Change in Net Position</u>
		<u>Grants and Contributions</u>	<u>Charges for Services</u>	<u>Other</u>	
<b>FUNCTIONS/PROGRAMS:</b>					
Governmental activities -					
Education	\$ 8,130,811	\$ 1,607,433	\$ 802,369	\$ 162,266	\$ (5,558,743)
Scholarships	13,100	-	-	-	(13,100)
Interest	<u>19,706</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,706)</u>
Total governmental activities	\$ <u>8,163,617</u>	\$ <u>1,607,433</u>	\$ <u>802,369</u>	\$ <u>162,266</u>	<u>(5,591,549)</u>
<b>GENERAL REVENUES</b>					
- EDUCATION SPENDING GRANT					5,500,341
- INVESTMENT INCOME (LOSS)					<u>(96,150)</u>
					<u>5,404,191</u>
 CHANGE IN NET POSITION					 (187,358)
 NET POSITION, July 1, 2021, as restated					 <u>5,443,424</u>
 NET POSITION, June 30, 2022					 \$ <u>5,256,066</u>

The notes to financial statements are an integral part of this statement.

**DANVILLE TOWN SCHOOL DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
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	<u>General</u> <u>Fund</u>	<u>Grants</u> <u>Fund</u>	<u>Permanent</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Totals</u> <u>Governmental</u> <u>Funds</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 620,976	\$ -	\$ 59,376	\$ 61,306	\$ 63,630	\$ 805,288
Investments	-	-	561,187	506,992	-	1,068,179
Due from other districts	128,012	390,306	-	-	-	518,318
Due from other funds	<u>365,758</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,781</u>	<u>396,539</u>
Total assets	<u>\$ 1,114,746</u>	<u>\$ 390,306</u>	<u>\$ 620,563</u>	<u>\$ 568,298</u>	<u>\$ 94,411</u>	<u>\$ 2,788,324</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND EQUITY</b>						
<b>LIABILITIES:</b>						
Accounts payable	\$ 27,696	\$ 3,280	\$ -	\$ 1,440	\$ 3,051	\$ 35,467
Accrued expenditures	344,683	-	-	-	-	344,683
Due to other districts	-	-	-	-	60	60
Due to other funds	<u>-</u>	<u>374,375</u>	<u>-</u>	<u>22,164</u>	<u>-</u>	<u>396,539</u>
Total liabilities	<u>372,379</u>	<u>377,655</u>	<u>-</u>	<u>23,604</u>	<u>3,111</u>	<u>776,749</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Deferred grant revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,652</u>	<u>-</u>	<u>3,652</u>

The notes to financial statements are an integral part of this statement.

**DANVILLE TOWN SCHOOL DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
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	<u>General</u> <u>Fund</u>	<u>Grants</u> <u>Fund</u>	<u>Permanent</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Totals</u> <u>Governmental</u> <u>Funds</u>
<b>FUND EQUITY:</b>						
Fund balances -						
Nonspendable	-	-	540,000	-	-	540,000
Restricted	-	12,651	80,563	374,178	-	467,392
Committed	225,718	-	-	-	27,670	253,388
Assigned	-	-	-	151,757	63,630	215,387
Unassigned	<u>516,649</u>	<u>-</u>	<u>-</u>	<u>15,107</u>	<u>-</u>	<u>531,756</u>
Total fund balances	<u>742,367</u>	<u>12,651</u>	<u>620,563</u>	<u>541,042</u>	<u>91,300</u>	<u>2,007,923</u>
Total liabilities, deferred inflows of resources and fund equity						
	\$ <u>1,114,746</u>	\$ <u>390,306</u>	\$ <u>620,563</u>	\$ <u>568,298</u>	\$ <u>94,411</u>	\$ <u>2,788,324</u>

The notes to financial statements are an integral part of this statement.

**DANVILLE TOWN SCHOOL DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
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**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION:**

Amount reported on Balance Sheet - Governmental Funds - total fund balances		\$ 2,007,923
Amounts reported for governmental activities in the Government-wide Statement of Net Position are different because -		
Capital assets used in governmental funds are not financial resources and are therefore not reported in the funds.		
Capital assets		7,727,621
Accumulated depreciation		(4,325,688)
Balances related to net pension asset or liability and related deferred outflows/inflows of resources are not reported in the governmental funds.		
Deferred pension expense		62,188
Deferred pension credits		(86,489)
Net pension liability		<u>(129,489)</u>
Net position of governmental activities - Government-wide Statement of Net Position		\$ <u>5,256,066</u>

The notes to financial statements are an integral part of this statement.

**DANVILLE TOWN SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

(Page 1 of 3)

	General Fund	Grants Fund	Permanent Fund	Special Revenue Fund	Other Governmental Funds	Totals Governmental Funds
<b>REVENUES:</b>						
Education spending grant	\$ 5,500,341	\$ -	\$ -	\$ -	\$ -	\$ 5,500,341
Tuition	795,736	-	-	-	-	795,736
Intergovernmental						
- State	46,666	5,000	-	-	-	51,666
- Federal	-	390,036	-	-	-	390,036
VSTRS on-behalf payments	1,125,731	-	-	-	-	1,125,731
Grants from private sources	-	-	-	-	40,000	40,000
Charges for services	6,633	-	-	-	-	6,633
Investment income	22,582	-	(44,289)	(74,443)	-	(96,150)
Other	<u>162,266</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>162,266</u>
Total revenues	<u>7,659,955</u>	<u>395,036</u>	<u>(44,289)</u>	<u>(74,443)</u>	<u>40,000</u>	<u>7,976,259</u>
<b>EXPENDITURES:</b>						
Instruction	2,961,784	353,202	-	-	-	3,314,986
Special education	947,482	-	-	-	-	947,482
Athletics	154,620	-	-	-	-	154,620
Extra curricular	11,852	-	-	10,504	-	22,356
Guidance	201,566	-	-	-	-	201,566
Health services	104,788	-	-	-	-	104,788
Psychological	35,621	-	-	-	-	35,621
Physical therapy	3,150	-	-	-	-	3,150
Other student support	144,096	-	-	-	-	144,096
Professional development	139,654	5,491	-	-	-	145,145

The notes to financial statements are an integral part of this statement.



**DANVILLE TOWN SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020**

(Page 2 of 3)

	<u>General Fund</u>	<u>Grants Fund</u>	<u>Permanent Fund</u>	<u>Special Revenue Fund</u>	<u>Other Governmental Funds</u>	<u>Totals Governmental Funds</u>
<b>EXPENDITURES (CONTINUED):</b>						
Library media and technology	260,137	-	-	-	-	260,137
Administration	119,223	-	-	-	-	119,223
Principal's office	380,749	31,343	-	-	-	412,092
Fiscal services	129,488	-	-	-	-	129,488
Plant operation	629,958	-	29,736	-	-	659,694
Transportation	154,022	-	-	-	-	154,022
Scholarships	-	-	-	13,100	-	13,100
Capital outlay	-	-	-	-	404,903	404,903
VSTRS on-behalf payments	1,125,731	-	-	-	-	1,125,731
Debt service - Interest	16,392	-	-	-	-	16,392
Capital lease - Principal	116,686	-	-	-	-	116,686
- Interest	3,314	-	-	-	-	3,314
Total expenditures	<u>7,640,313</u>	<u>390,036</u>	<u>29,736</u>	<u>23,604</u>	<u>404,903</u>	<u>8,488,592</u>
EXCESS OF REVENUES OR (EXPENDITURES)	<u>19,642</u>	<u>5,000</u>	<u>(74,025)</u>	<u>(98,047)</u>	<u>(364,903)</u>	<u>(512,333)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Interfund transfers in (out), net	<u>(364,903)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>364,903</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(345,261)	5,000	(74,025)	(98,047)	-	(512,333)
FUND BALANCES, July 1, 2021, as restated	<u>1,087,628</u>	<u>7,651</u>	<u>694,588</u>	<u>639,089</u>	<u>91,300</u>	<u>2,520,256</u>
FUND BALANCES, June 30, 2022	\$ <u>742,367</u>	\$ <u>12,651</u>	\$ <u>620,563</u>	\$ <u>541,042</u>	\$ <u>91,300</u>	\$ <u>2,007,923</u>

The notes to financial statements are an integral part of this statement.

**DANVILLE TOWN SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

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**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES:**

Net change in fund balances - total governmental funds	\$ (512,333)
Amounts reported for governmental activities in the Government-wide Statement of Activities are different because -	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Additions to capital assets, net of dispositions	404,903
Depreciation	(197,244)
The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.	
Payments on capital lease	116,686
Changes in net pension asset or liability and related deferred outflows/inflows of resources will increase or decrease the amounts reported in the government-wide statements, but are only recorded as an expenditure when paid in the governmental funds.	
Net (increase) decrease in net pension obligation	<u>630</u>
Change in net position of governmental activities - Government-wide Statement of Activities	\$ <u>(187,358)</u>

The notes to financial statements are an integral part of this statement.

**DANVILLE TOWN SCHOOL DISTRICT  
STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

	Original and Final <u>Budget</u>	Actual (Budgetary Basis) <u>        </u>	Variance Over (Under) <u>        </u>
<b>REVENUES:</b>			
Education spending grant	\$ 5,500,341	\$ 5,500,341	\$ -
Tuition	792,000	795,736	3,736
Intergovernmental - State	9,500	46,666	37,166
Charges for services	17,250	6,633	(10,617)
Investment income	25,000	22,582	(2,418)
Other	<u>2,000</u>	<u>42,266</u>	<u>40,266</u>
Total revenues	<u>6,346,091</u>	<u>6,414,224</u>	<u>68,133</u>
<b>EXPENDITURES:</b>			
Instruction	2,910,807	2,961,784	50,977
Special education	1,015,681	947,482	(68,199)
Athletics	134,854	154,620	19,766
Extra curricular	53,826	11,852	(41,974)
Guidance	198,702	201,566	2,864
Health services	104,313	104,788	475
Psychological	10,000	35,621	25,621
Physical therapy	-	3,150	3,150
Other student support	90,632	144,096	53,464
Professional development	142,190	139,654	(2,536)
Library media and technology	222,886	260,137	37,251
General administration/School Board	180,347	119,223	(61,124)
Principal's office	367,807	380,749	12,942
Fiscal services	121,708	129,488	7,780
Plant operation	557,575	629,958	72,383
Transportation	144,200	154,022	9,822
Miscellaneous	64,063	-	(64,063)
Debt service - Interest	<u>26,500</u>	<u>16,392</u>	<u>(10,108)</u>
Total expenditures	<u>6,346,091</u>	<u>6,394,582</u>	<u>48,491</u>
<b>EXCESS OF REVENUES OR (EXPENDITURES)</b>	<u>-</u>	<u>19,642</u>	<u>19,642</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Interfund transfers in (out), net	<u>-</u>	<u>(364,903)</u>	<u>364,903</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ (345,261)</u>	<u>\$ 345,261</u>

The notes to financial statements are an integral part of this statement.

**DANVILLE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**1. Summary of significant accounting policies:**

The Danville Town School District (the District or DTSD) is organized according to State law under the governance of the Board of Education (the Board) to provide public school education for the Town of Danville, Vermont. The District provides elementary and secondary educational services. Functions of the Office of the Superintendent are provided to the District by the Caledonia Central Supervisory Union (CCSU), of which the District is a member. The other members of CCSU are Cabot Town School District (CTSD), Caledonia Cooperative School District (CCSD), Peacham Town School District (PTSD), and Twinfield Union School District (TUSD).

- A. Reporting entity - The District is a primary unit of government under reporting criteria established by the Governmental Accounting Standards Board (GASB). Those criteria include a separately elected governing body, separate legal standing, and fiscal independence from other state and local governmental entities. Based on these criteria, there are no other entities which are component units of the District.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing *Governmental Accounting and Financial Reporting Standards* which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes U.S. GAAP for governmental units.

- B. Government-wide and fund financial statements - The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District has no business-type activities.

In the government-wide Statement of Net Position, the financial position of the District is consolidated and incorporates capital assets as well as all long-term debt and obligations. The government-wide Statement of Activities reflects both the gross and net costs by category. Direct expenses that are clearly identifiable with the category are offset by program revenues of the category. Program revenues include charges for services provided by a particular function or program and grants that are restricted to meeting the operational or capital requirements of the particular segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds, if any, are summarized in a single column.

- C. Basis of presentation - The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund balances or net position, revenues, and expenditures or expenses, as appropriate.

**DANVILLE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**1. Summary of significant accounting policies (continued):**

C. Basis of presentation (continued) -

The District reports the following major governmental funds:

General Fund - The General Fund is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Grants Fund - The Grants Fund, a special revenue fund, is used to account for the proceeds of revenue sources that are legally restricted to expenditure for specified services. This fund is used to account for grants from federal, state and local sources.

Permanent Fund - The Permanent Fund is used to account for resources held in trust by the District for the benefit of the District.

Special Revenue Fund - The Special Revenue Fund is used to account for resources donated to the District for the benefit of the District or students of the District.

- D. Measurement focus and basis of accounting - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as they become both measurable and available. "Measurable" means the amount of the transaction that can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures generally are recorded when the fund liability is incurred, if measurable, as under accrual accounting. However, debt service expenditures are recorded only when payment is made.

- E. Budgets and budgetary accounting - The District adopts a budget for the General Fund at an Annual Meeting. The accounting method used for the budget presentation varies from U.S. GAAP as described in note 10. Formal budgetary integration is employed as a management control during the year for the General Fund. The District does not legally adopt budgets for other governmental funds. All budgeted amounts lapse at year end.
- F. Use of estimates - The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferred outflows/inflows of resources as well as disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

**DANVILLE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**1. Summary of significant accounting policies (continued):**

- G. Risk management - The 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 and others; environmental liability; and natural disasters. The District manages these risks through commercial insurance packages covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. There were no settlements in excess of the insurance coverage in any of the past three fiscal years.
- H. Cash, cash equivalents and investments - The District considers all cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition to be cash and cash equivalents. Investments and unrealized gains and losses are reflected in the individual fund and government-wide financial statements. Investments of the District are reported at fair value using quoted prices in active markets for identical assets. This is considered a level 1 input valuation technique under the framework established by U.S. GAAP for measuring fair value. The District does not own investments valued with level 2 or level 3 inputs, which would use quoted prices for similar assets, or in inactive markets, or other methods for estimating fair value.
- I. Capital assets - Capital assets, which include land, buildings, equipment, vehicles and infrastructure, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The District does not retroactively report infrastructure assets. There have been no infrastructure additions since the implementation of GASB Statement No. 34. Donated capital assets are recorded at acquisition value. Major outlays for capital assets and improvements are capitalized as projects are constructed. Net interest costs are capitalized on projects during the construction period. Normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized. Capital assets are depreciated using the straight-line method over the useful lives shown below:
- |                           |         |       |
|---------------------------|---------|-------|
| Building and improvements | 10 - 50 | years |
| Machinery and equipment   | 5 - 7   | years |
- J. Deferred outflows/inflows of resources - In addition to assets and liabilities, deferred outflows of resources and deferred inflows of resources are reported as separate sections in the applicable statement of net position or balance sheet. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources in the current period. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources in the current period.
- K. Compensated absences - The District's personnel policies do not provide for accumulating vacation and sick leave pay.
- L. Long-term obligations - Governmental activities report long-term debt and other long-term obligations as liabilities in the statement of net position. Governmental funds report the amount of debt issued as other financing sources and the repayment of debt as debt service expenditures.

**DANVILLE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**1. Summary of significant accounting policies (continued):**

M. Fund equity - In the fund financial statements, governmental funds may report five categories of fund balances: nonspendable, restricted, committed, assigned and unassigned.

Nonspendable fund balance includes amounts associated with inventory, prepaid expenditures, long-term loans or notes receivable, and trust fund principal to be held in perpetuity.

Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed fund balance includes amounts that can be used only for specific purposes determined by the District's highest level of decision making authority, the voters, as a result of articles passed at Annual or Special Meetings.

Assigned fund balance includes amounts that are intended to be used by the District for specific purposes as authorized by the Board.

Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in another classification. Deficits are also classified as unassigned.

The District's policy is to apply expenditures to fund balance in the order of restricted, committed, assigned and unassigned unless the Board specifies otherwise.

N. On-behalf payments - The State of Vermont makes payments on behalf of the District's teachers to the Vermont State Teachers' Retirement System (VSTRS) for pension and other post employment benefits (OPEB). The District recognizes these on-behalf payments as intergovernmental grant revenues and education expenses or expenditures, as appropriate, in the government-wide financial statements and in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. The Supervisory Union makes payments on behalf of the District for a transportation (bus) lease. The District recognizes these on-behalf payments as other income and capital lease principal and interest in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. The amounts are not budgeted and have been excluded from the budget basis statement; see note 10 for reconciling details.

**2. Deposits and investments:**

Fair value and classification - Deposits and investments are stated at fair value as described in note 1.H. The classification of investments as of June 30, 2022 are as follows:

<u>Investment</u>	<u>Fair Value</u>
ETF's and mutual funds - domestic	\$ 476,913
Municipal bonds	199,460
Corporate stock - domestic	375,906
Corporate stock - foreign	<u>15,900</u>
	<u>\$ 1,068,179</u>

**DANVILLE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**2. Deposits and investments (continued):**

Custodial credit risk - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The District does not have a policy for custodial credit risk. As of June 30, 2022, the District's depository accounts were fully insured or collateralized.

Interest rate risk - Interest rate risk is the risk that changes in interest rates will affect the fair value of certain investments. The District does not have a policy for interest rate risk. Investments subject to interest rate risk and their maturities as of June 30, 2022 are as follows:

	<u>Fair Value</u>	<u>Investment Maturity</u>		
		<u>Less than One Year</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>
Municipal bonds	\$ <u>199,460</u>	\$ <u>-</u>	\$ <u>199,460</u>	\$ <u>-</u>

Credit risk - Credit risk is the risk that an issuer of or counterparty to an investment will not fulfill its obligations. The District does not have a policy for credit risk. The District's investments in municipal bonds are subject to credit risk. The credit quality ratings as rated by Moody's Investors Service are as follows:

<u>Bond Rating</u>	<u>Fair Value</u>
Aa3	\$ 50,338
A1	40,476
Aaa	30,019
Baa1	40,096
Not rated (NR)	<u>38,531</u>
	\$ <u>199,460</u>

Concentration of credit risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District does not have a policy for concentration of credit risk. As of June 30, 2022, the District does not hold more than 5% of its investments in any one issuer.



**DANVILLE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**3. Capital assets:**

Capital asset activity for the year ended June 30, 2022 was as follows:

	<u>July 1, 2021</u>	<u>Increase</u>	<u>Decrease</u>	<u>June 30, 2022</u>
Capital assets, not depreciated:				
Land	\$ <u>6,634</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>6,634</u>
Capital assets, depreciated:				
Building and improvements	7,111,629	404,903	-	7,516,532
Machinery and equipment	<u>549,355</u>	<u>-</u>	<u>344,900</u>	<u>204,455</u>
Total capital assets, depreciated	<u>7,660,984</u>	<u>404,903</u>	<u>344,900</u>	<u>7,720,987</u>
Less accumulated depreciation:				
Building and improvements	3,959,669	184,872	-	4,144,541
Machinery and equipment	<u>513,675</u>	<u>12,372</u>	<u>344,900</u>	<u>181,147</u>
Total accumulated depreciation	<u>4,473,344</u>	<u>197,244</u>	<u>344,900</u>	<u>4,325,688</u>
Total capital assets, depreciated	<u>3,187,640</u>	<u>207,659</u>	<u>-</u>	<u>3,395,299</u>
Capital assets, net	\$ <u>3,194,274</u>	\$ <u>207,659</u>	\$ <u>-</u>	\$ <u>3,401,933</u>

The District added \$404,903 in buildings and improvements this fiscal year, including replacing the boilers, building renovations, security cameras and a yurt. The District disposed of five older buses valued at \$344,900 and the related accumulated depreciation.

Depreciation expense of \$197,244 in the governmental activities was fully allocated to the education function.

**4. Interfund receivable and payable balances:**

Interfund receivable and payable balances, due to the pooling of cash for cash receipts and disbursements, as of June 30, 2022 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<b>Governmental funds -</b>		
General Fund	\$ 365,758	\$ -
Grants Fund	-	374,375
Special Revenue Fund	-	22,164
Other Governmental Funds	<u>30,781</u>	<u>-</u>
	\$ <u>396,539</u>	\$ <u>396,539</u>

**DANVILLE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**5. Related parties:**

The District paid assessments of \$1,531,607 and reimbursements for special education excess costs of \$54,843 to the Supervisory Union. The District has \$518,318 in accounts receivable from and \$60 in accounts payable to the Supervisory Union. Amounts receivable and payable between districts as of June 30, 2022 were:

	<u>Accounts Receivable</u>	<u>Accounts Payable</u>
CCSU	\$ 435,318	\$ 2,007,103
CTSD	281,034	300,158
CCSD	702,926	-
DTSD	518,318	60
PTSD	82,053	34,996
TUSD	322,944	276
	<u>\$ 2,342,593</u>	<u>\$ 2,342,593</u>

**6. Long-term obligations:**

Long-term obligations activity for the year ended June 30, 2022 was as follows:

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2022</u>	<u>Due Within One Year</u>
<b>Governmental activities -</b>					
Leases	\$ 116,686	\$ -	\$ 116,686	\$ -	\$ -
Net pension liability	<u>205,126</u>	<u>-</u>	<u>75,637</u>	<u>129,489</u>	<u>-</u>
	<u>\$ 321,812</u>	<u>\$ -</u>	<u>\$ 192,323</u>	<u>\$ 129,489</u>	<u>\$ -</u>

**7. Debt:**

Short-term - During the year, the District borrowed and repaid a tax anticipation note in the amount of \$1,641,164, at an interest rate of 1.00%, which matured June 30, 2022. Interest related to this note was \$16,392.

Subsequent to year end, the District obtained a tax anticipation in the amount of \$1,782,354, at an interest rate of 1.15%, which matures June 30, 2023. The note must be borrowed in full, and may not be prepaid. As of the date of this report, the District has borrowed this note in full.

**8. Fund balances:**

As of June 30, 2022, the General Fund reported a committed fund balance of \$225,718, of which \$180,518 is committed to the Special Education Reserve and \$45,200 is committed to the Mission and Vision Reserve.

As of June 30, 2022, the Permanent Fund reported a nonspendable fund balance of \$540,000 by donor restrictions. The remaining fund balance of \$80,563 is restricted by donors for use as specified in donor agreements.

**DANVILLE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**8. Fund balances (continued):**

As of June 30, 2022, the Special Revenue Fund reported a restricted fund balance of \$374,178, restricted by donors for use as specified in donor agreements. It also reported a fund balance of \$151,757 assigned by the Board for specific purposes, and an unassigned fund balance of \$15,107.

The Other Governmental Funds, consisting of the Construction Fund, and the Student Activities Fund, reported a fund balance of \$27,670 committed to future construction projects and an assigned balance of \$63,630 assigned by the Board for student activities.

**9. Restatements:**

The beginning fund balances of the Permanent Fund and the Special Revenue Fund were restated in order to report assets in the fund where invested, and reduce the need for interfund transactions between the funds. The beginning balance of the Permanent Fund was reduced by \$36,233 from \$730,821 to \$694,588. The beginning balance of the Special Revenue Fund increased by \$33,537 from \$605,552 to \$639,089. The difference of \$2,696 was to correct previous errors accounting for interfund transactions.

For the same reason, the beginning net position of the governmental activities on the government-wide Statement of Activities was restated from \$5,446,120 to \$5,443,424, a decrease of \$2,696 in order to correct previous accounting for interfund transactions.

**10. Budgetary basis of accounting:**

These financial statements include totals for General Fund revenues and expenditures on the District's budgetary accounting basis, which vary from the totals of revenues and expenditures recognized on the basis of accounting prescribed by U.S. GAAP, as shown below:

	<u>Revenues</u>	<u>Expenditures</u>
U.S. GAAP basis	\$ 7,659,955	\$ 7,640,313
On-behalf payments -		
VSTRS pension	(805,444)	(805,444)
VSTRS OPEB	(320,287)	(320,287)
CCSU transportation payments	<u>(120,000)</u>	<u>(120,000)</u>
Budget basis	\$ <u>6,414,224</u>	\$ <u>6,394,582</u>

**11. Pension plans:**

Vermont Municipal Employees' Retirement System -

Plan description: The District contributes to the Vermont Municipal Employees' Retirement System (VMERS or the Plan) a cost-sharing multiple-employer public employee retirement system with defined benefit and defined contribution plans, administered by the State of Vermont. The state statutory provisions, found in Title 24, Chapter 125, of the V.S.A., govern eligibility for benefits, service requirements and benefit provisions. The general administration and responsibility for the proper operation of VMERS is vested in the Board of Trustees consisting of five members. VMERS issues annual financial information

**DANVILLE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**11. Pension plans (continued):**

Vermont Municipal Employees' Retirement System (continued) -

which is available and may be reviewed at the VMERS' office, 109 State Street, Montpelier, Vermont, 05609-6200, by calling (802) 828-2305 or online at <http://www.vermonttreasurer.gov>.

Benefits provided: VMERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits do vary between the groups included in the Plan, but are determined for the members of each group as a percentage of average compensation in a certain number of the highest consecutive years of service. Eligibility for benefits requires five years of service.

Contributions: Defined benefit plan members are required to contribute 3.25% (Group A), 5.625% (Group B), 10.75% (Group C) or 12.1% (Group D) of their annual covered salary, and the District is required to contribute 4.75% (Group A), 6.25% (Group B), 8.0% (Group C) or 10.6% (Group D) of the employees' compensation. Defined contribution plan members are required to contribute 5.0% of their annual covered salary and the District is required to contribute an equal dollar amount. The contribution requirements of plan members and the District are established and may be amended by the Board of Trustees. The District's contributions to VMERS for the years ended June 30, 2022, 2021, and 2020, were \$22,105, \$19,560, and \$16,971, respectively. The amounts contributed were equal to the required contributions for each year.

Pension liabilities, deferred outflows of resources, deferred inflows of resources: These financial statements include the District's proportionate share of the VMERS net pension liability, deferred outflows of resources for pension expense, deferred inflows of resources from investment earnings and contributions, and the related effects on government-wide net position and activities. The State of Vermont has provided the following information to all employers participating in VMERS, which is based on its calculation of the District's 0.0898% proportionate share of VMERS defined benefit plan.

District's share of VMERS net pension liability	\$ 129,489
Deferred outflows of resources - Deferred pension expense	\$ 62,188
Deferred inflows of resources - Deferred pension credits	\$ 86,489

Additional information: VMERS obtains an annual actuarial valuation for the pension plan. Detailed information is provided in that report for actuarial assumptions of inflation rates, salary increases, investment rates of return, mortality rates, discount rates, and the calculations used to develop annual contributions and the VMERS net position.

The District adopted GASB Statement No. 68 in fiscal year 2015 and is developing the ten years of required supplementary information in schedules 1 and 2. This historical pension information includes the District's Proportionate Share of Net Pension Liability of VMERS and District's Contributions to VMERS.

**DANVILLE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**11. Pension plans (continued):**

Vermont State Teachers' Retirement System -

Plan description: The District participates in the Vermont State Teachers' Retirement System (VSTRS or the Plan), a cost-sharing multiple-employer defined benefit public employee retirement system with a special funding situation in which the State of Vermont contributes to the Plan on behalf of the participating employers. The Plan was created in 1947, and is governed by Title 16, V.S.A. Chapter 55. It covers nearly all teachers and school administrators in schools supported by the State. The general administration and responsibility for the proper operation of VSTRS is vested in a Board of Trustees consisting of eight members. VSTRS issues annual financial information which is available and may be reviewed at the VSTRS' office, 109 State Street, Montpelier, Vermont, 05609-6200, by calling (802) 828-2305 or online at <http://www.vermonttreasurer.gov>.

Benefits provided: The Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are based on the number of years of creditable service and are determined as a percentage of average final compensation in the three highest consecutive years of service. Eligibility for benefits requires five years of service.

Contributions: Member teachers are required to contribute 5.5% (Group A); or 5.0% (Group C if the member has five or more years of service at July 1, 2014); otherwise 6.0% (Group C) of their annual covered salary and the state contributes the balance of an actuarially determined rate. The State is a nonemployer contributor to the Plan and is required by statute to make all actuarially determined employer contributions on behalf of member employers. The District's teachers contributed \$126,817, \$134,926, and \$123,194, to the Plan in 2022, 2021, and 2020, respectively.

Pension liabilities and pension expense: The District does not contribute directly to the Plan; therefore no net pension liability needs to be recorded by the District. However, the District is required to report the District's portion of the following items as calculated by the State of Vermont:

District's share of -	
VSTRS net pension liability	\$ 5,694,314
VSTRS net pension expense	\$ 805,444

**12. Other postemployment benefits (OPEB) plan:**

Retired Teachers' Health and Medical Benefit Fund -

Plan description: - The District participates in the Retired Teachers' Health and Medical Benefit Fund of the Vermont State Teachers' Retirement System (VSTRS), which provides postemployment benefits to eligible retired employees through a cost-sharing, multiple-employer postemployment benefit 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 Plan for those covered classes is a condition of employment.

**DANVILLE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**12. Other postemployment benefits (OPEB) plan (continued):**

Retired Teachers' Health and Medical Benefit Fund (continued) -

Vermont Statute Title 16 Chapter 55 assigns the authority to VSTRS to establish and amend the benefit 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, consisting of eight members. The Plan issues annual financial information which is available and may be reviewed at the State Treasurer's office, 109 State Street, Montpelier, Vermont, 05609-6200, by calling (802) 828-2305 or online at <http://www.vermonttreasurer.gov>.

Benefits provided and eligibility: The Plan provides medical and prescription drug benefits for plan members and their spouses; retirees pay the full cost of dental benefits. Benefits are based on the number of years of creditable service. Eligibility requirements are summarized below:

Group A - Public school teachers employed within the State of Vermont prior to July 1, 1981 and elected to remain in Group A qualify for retirement at the attainment of 30 years of service or age 55.

Group C - Public school teachers employed within the State of Vermont on or after July 1, 1990. Teachers hired before July 1, 1990 and were Group B members in service on July 1, 1990 are now Group C members, and qualify for benefits at the of age 65, or age plus creditable service equal to 90, or age 55 with 5 years of creditable service. Grandfathered participants are Group C members who were within five years of normal retirement eligibility as defined prior to July 1, 2010, and qualify for benefits at the attainment of age 62, or 30 years of service, or age 55 with 5 years of service.

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

Total OPEB liability: The State of Vermont is a nonemployer contributing entity and is presently the sole entity required to contribute to the Plan. The District does not contribute to the Plan; therefore, no net OPEB liability needs to be recorded by the District. However, the District is required to report the District's share of the Plan's net OPEB liability (\$4,839,834) and OPEB expense (\$320,287) as determined by an actuarial valuation. The liability was measured as of June 30, 2021 for the reporting period of June 30, 2022.

Sensitivity of the total OPEB liability: A change in assumptions can have a large effect of the estimated OPEB obligation. A decrease of 1% in the 2.20% discount rate used to calculate future costs would increase the District's share of OPEB liability to \$5,726,763, while an increase of 1% would reduce the District's share of OPEB liability to \$4,132,799. A decrease of 1% in the current healthcare cost trend rate would reduce the District's share of OPEB liability to \$4,009,599, while an increase of 1% would increase the District's share of OPEB liability to \$5,938,559.

Collective OPEB Plan liability and expense: The Plan's collective net OPEB liability is \$1,275,587,042 and total OPEB expense for the year is \$75,721,839.

**DANVILLE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**12. Other postemployment benefits (OPEB) plan (continued):**

Retired Teachers' Health and Medical Benefit Fund (continued) -

Actuarial assumptions and other inputs: The total OPEB liability used the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increase rate	Varies by age
Discount rate	2.20%
Inflation rate	2.00%
Healthcare cost trend rates	6.7% Non-Medicare 6.0% Medicare
Retiree Contributions	Equal to health trend
Mortality tables	Various PubT-2010, and PubNS-2010 tables using Scale MP-2019
Actuarial cost method	Projected Unit Credit
Asset valuation method	Market value

**13. Commitments:**

Subsequent to fiscal year end, the District committed to the purchase and financing of a 2022 Ford Transit van in the amount of \$30,113, at an interest rate of 7.74% with 36 payments of \$934 per month until June 29, 2025. The District also committed to the purchase and financing of a 2021 Chrysler Voyager ADA compliant van in the amount of \$59,425, with 60 payments of \$1,014 per month until December, 2027.

**14. Subsequent events:**

The District has evaluated subsequent events through April 12, 2023, the date on which the financial statements were available to be issued.

**DANVILLE TOWN SCHOOL DISTRICT  
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF  
NET PENSION LIABILITY  
VMERS  
JUNE 30, 2022**

Schedule 1

	June 30, <u>2022</u>	June 30, <u>2021</u>	June 30, <u>2020</u>	June 30, <u>2019</u>	June 30, <u>2018</u>	June 30, <u>2017</u>	June 30, <u>2016</u>	June 30, <u>2015</u>
District's proportion of the net pension liability	0.0880%	0.0811%	0.0748%	0.0738%	0.1397%	0.1712%	0.1856%	0.2026%
District's proportionate share of the net pension liability	\$ 129,489	\$ 205,126	\$ 129,729	\$ 103,757	\$ 169,280	\$ 220,351	\$ 143,123	\$ 18,495
District's covered payroll	\$ 465,381	\$ 434,674	\$ 399,325	\$ 345,363	\$ 306,738	\$ 570,661	\$ 650,561	\$ 648,754
District's proportionate share of the net pension liability as a percentage of its covered payroll	27.824%	47.191%	32.487%	30.043%	55.187%	38.613%	22.000%	2.851%
VMERS net position as a percentage of the total pension liability	86.29%	74.52%	80.35%	82.60%	83.64%	80.95%	87.42%	98.32%

**SCHEDULE OF DISTRICT'S CONTRIBUTIONS  
VMERS  
JUNE 30, 2022**

Schedule 2

	June 30, <u>2022</u>	June 30, <u>2021</u>	June 30, <u>2020</u>	June 30, <u>2019</u>	June 30, <u>2018</u>	June 30, <u>2017</u>	June 30, <u>2016</u>	June 30, <u>2015</u>
Contractually required contribution	\$ 22,105	\$ 19,560	\$ 16,971	\$ 14,247	\$ 12,270	\$ 22,826	\$ 26,023	\$ 25,950
Contributions in relation to the contractually required contribution	<u>22,105</u>	<u>19,560</u>	<u>16,971</u>	<u>14,247</u>	<u>12,270</u>	<u>22,826</u>	<u>26,023</u>	<u>25,950</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 465,381	\$ 434,674	\$ 399,325	\$ 345,363	\$ 306,738	\$ 570,661	\$ 650,561	\$ 648,754
Contributions as a percentage of covered payroll	4.750%	4.500%	4.250%	4.125%	4.000%	4.000%	4.000%	4.000%



**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***

The Board of Education  
Danville Town School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Danville Town School District (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated April 12, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Montpelier, Vermont  
April 12, 2023

*Melgett Jennett* 9  
*Shosh-Nisa, P.L.*



Pierce Electric  
PO BOX 144  
St Johnsbury, VT 05819

May 15, 2023

## Danville School Lighting Project

### Scope of Work:

#### Direct Replacement

- Furnish and install LED retrofit kits to 986 fluorescent fixtures
- Disposal of existing ballast and bulbs
- This quote is for a one-to-one direct replacement of all fluorescent fixtures with LED retrofit kits

**TOTAL: \$116,340.00**

### Scope of Work:

#### Converting to 2 x 2 fixtures

- Furnish and install 377 strip light LED retro fit kits (will be installed in all strip lights that are in rooms without suspended ceilings)
- Furnish and install 435 2x2 flat panel LED lights (will replace all 2x4 trough lights and strip lights in rooms with suspended ceilings)
- Existing wiring will be used wherever possible
- Lights will have dimming capability in the fixture however low voltage wire that is not included in this proposal would need to be run
- All switching will be reused
- Disposal of old fixtures and bulbs
- Supporting all fixtures with required wire support
- Furnish and install 2-foot ceiling grid T and 2x2 tile for 435 light fixtures

**TOTAL: \$114,180.00**

**NOTE: Due to the national fluctuation of material and cost of goods, all quoted prices are valid for 30 days. After 30 days the price will need to be quoted again.**



**Caledonia Central Supervisory Union**  
Cabot School, Twinfield School,  
Danville School District, Peacham School District  
Caledonia Cooperative School District (Barnet, Walden & Waterford Schools)

PO Box 216, Danville, VT 05828 (802)684-3801x206 - Fax (802)684-1190  
Mark Tucker, Superintendent of Schools  
[mark.tucker@ccsuvt.net](mailto:mark.tucker@ccsuvt.net)

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August 24, 2023

To: Danville Board

From: Mark Tucker

Subj: ERU Replacement

There is more to the proposed project to replace the ERU's on the school roof than initially met the eye. The proposal you heard in the spring was for a 1:1 replacement of the units. I spent some time earlier this summer talking about the larger needs of the system with the new AOE Building Consultant and with Dave Anderson from Pearson (they were involved in the Truex study and also had a hand in the emergency repairs as a subcontractor to New England Air). It is apparent to me that we skipped a step by not looking at a number of factors that need to be done but were not included in the Alliance proposal, as described below. These are all items that Alliance said were NOT part of their proposal:

- Ductwork cleaning – the air ducts were cleaned approximately three years ago during the emergency repairs to the ventilation system, but at a minimum they need to be inspected again and possibly cleaned again
- Electrical – Alliance only proposed to pull out and replace the units, one for one, leaving the additional task of electrical connections to make them run. We don't have an estimate for that.
- BAS Controls – Alliance proposed the installation of a control system that appears not to interface with a centralized building control system; at a minimum, it would be up to us to build/buy/contract for the interface with the rest of our systems in different parts of the building.
- Air Balancing – this is a necessary step to ensure adequate airflow throughout the system. Too much or too little air
- Engineering or structural work – This exclusion is at the heart of reason I am proposing a pause on this project. In my conversations with Dave Anderson from Pearson, he pointed out a number of concerns related to a one-for-one replacement of the existing units:
  - We have no specifications on the weight of the units in relation to the existing units. If the new units happen to be heavier by a factor of 10% or more, this triggers an automatic need to review the structural integrity of the roof before installing them. Some of this work was done as part of the Truex work, which proposed reducing the number of units and relocating them, with larger units installed to handle the air load needs. One of the advantages of doing this is that fewer new units should cost less, even though there would need to be some new ducting done on the roof to connect the new units to the existing interior ducting. Additionally, we already know that one or more of the existing units are installed too close to the roof edge; if we just yank those

**“It is the mission of the Caledonia Central Supervisory Union and its seven member schools to create a learning community in which each individual can achieve the highest standards of excellence in intellectual growth and citizenship.”**

out and out new ones in, we will trigger an OSHA violation. The “fewer units, relocated” design addresses this last issue. The Alliance proposal does not address any of this.

I spoke with Dave Anderson at Pearson, back in June, and asked him what the status was of the engineering work they had done for Truex and New England Air. He said he thought it was maybe 80-90% complete, but wanted to review the work. I asked him for a proposal for doing a review and getting us to a point where we can make an informed decision on how to proceed. His firm was caught up in flood damage work, but he has promised me a response by early next week.

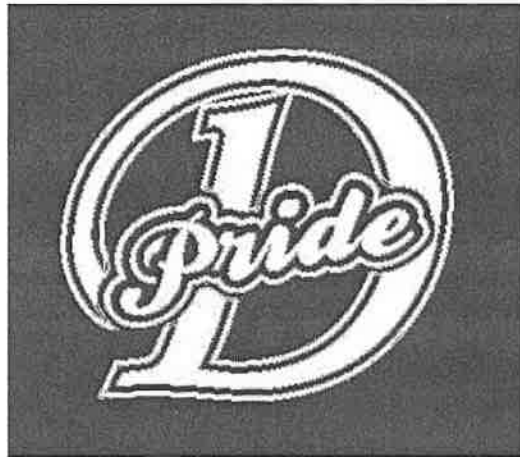
In summary, I think there are reasons not to just do a one-for-one swap, and many more reasons why this proposal is deficient. If we are going to spend \$1.2M on ERU replacements, we have to do it right, which includes making sure we are following code requirements. It is also clear to me that this proposal *understates* the cost of completion, even if we do decide to take this approach. Everything that is excluded will have to be done by someone.

I think the fact that we got this far with a deficient proposal reflects the scattershot approach taken by the building advisory committee. I understand the urgency many feel to do *something* but I don't think it is helpful to ask Shawn to take on tasks in isolation. Someone asked him to, “get us a proposal for ERU replacement.” He did what was asked, but with no clarity of the bigger picture. A better approach will be to hire a general contractor to run the project; Alliance and others can bid on the parts they can do, and the GC will find the other resources needed, as indicated in the full design proposal. There is a reason why these projects are expensive.

I plan to have a clearer approach for you to consider – it will include spending some money on making sure we have a complete set of specifications that can be put out to bid – so that whatever we do is done correctly, with no big surprises and no buyer's remorse after the fact.

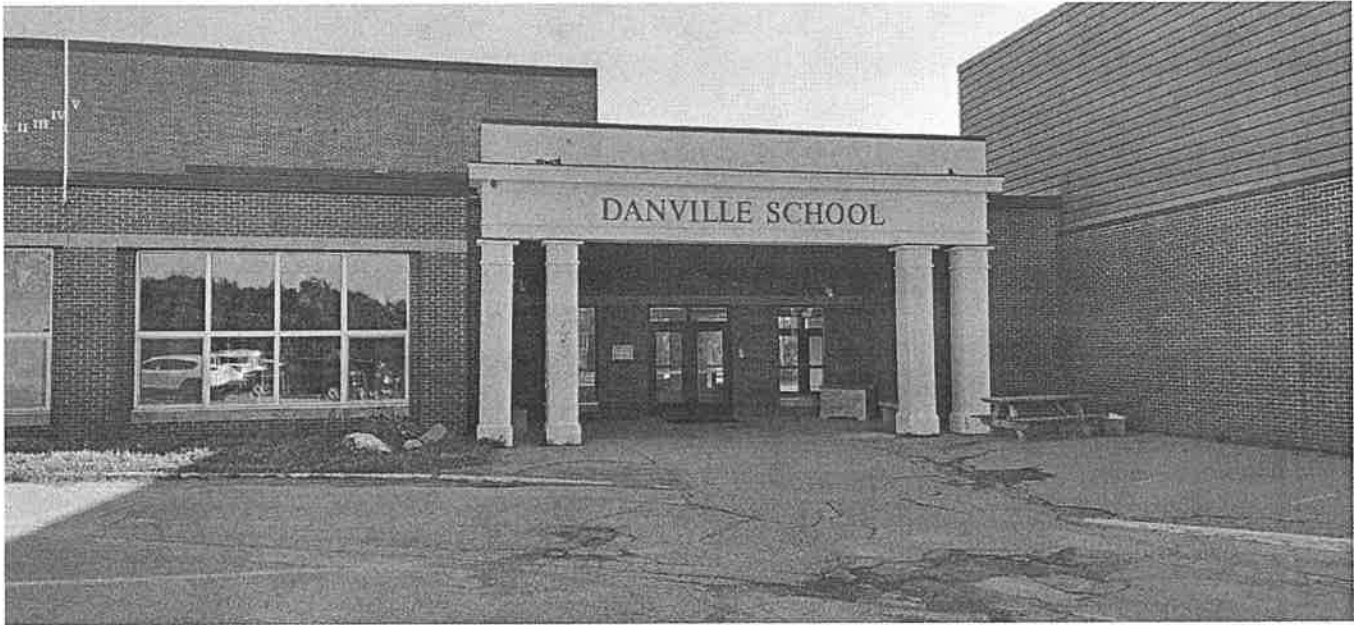
Mark

**“It is the mission of the Caledonia Central Supervisory Union and its seven member schools to create a learning community in which each individual can achieve the highest standards of excellence in intellectual growth and citizenship.”**



ROOF INSPECTION  
WEDNESDAY 08/09/2023

**NEXT-GEN**  
**INFRARED**  
SEE - LEARN - UNDERSTAND



Client Data:	
Name:	Danville School
Address:	148 Peacham Rd.
City:	Danville
Zip:	05828
State:	Vermont

Contact Info:	
Name:	Shawn McNamara
Title:	Facility Director
Phone Number:	802-684-2292 x:108
Email:	Shawn.McNamara@ccsuvt.net

## Facility Data

Type of Facility	School
Square Footage	Approx. 75,000
Access	Internal Roof Hatch
Year Installed	20+
Slope Dimension	0" : 12" – Minimal Slope
Eave Height	20'+

## Assembly

Deck	Metal Deck / Tectum Deck
Insulation	TBD
Membrane	Adhered EPDM / Ballasted EPDM

**Introduction:** This report contains current roof conditions and issues discovered and documented at the address listed above. Please note that if new or additional information becomes available after the date listed on this report relative to these roof systems, Next-Gen IR (referred to as "Consultant" herein) reserves the right to revise report based on new information provided after dated listed on this roof conditions and solutions report.

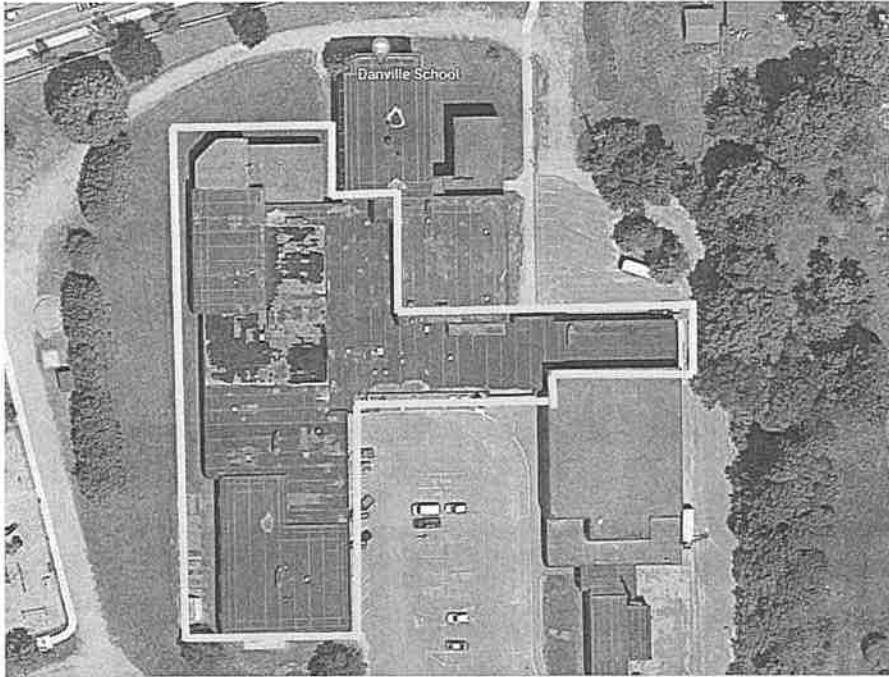
**Project Description:** This investigation is limited to the performance of roofing materials and assembly of roof components at the subject property. The subject project consisted of low pitch adhered and ballasted EPDM roof system at 148 Peacham Rd., Danville, VT 05828.

**Scope of Work:** Next-Gen IR scope of work for this project is to determine IF the integrity of roofing materials and roof top unit assembly applications is in compliance with ASTM design requirements, local building codes, IECC, SMACNA and document assembled "roof conditions and solutions report".

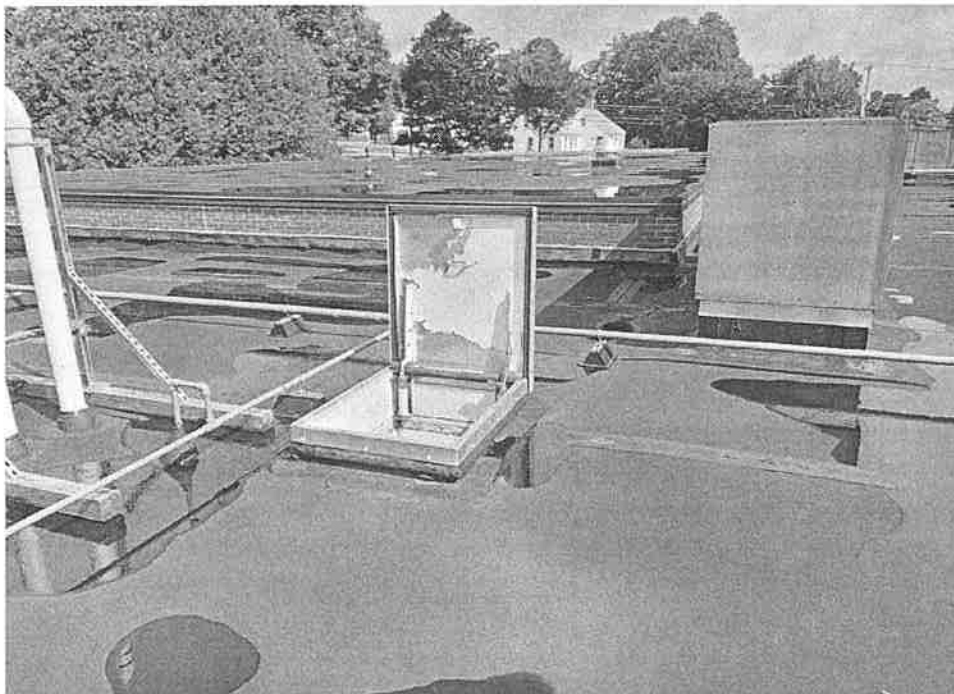
**Active Participants:** Alen Turan with Next-Gen IR and Matt with Danville School.

**Site Visit:** Wednesday – August 9<sup>th</sup>, 2023 - Initial trip to investigate roof assemblies and document findings.

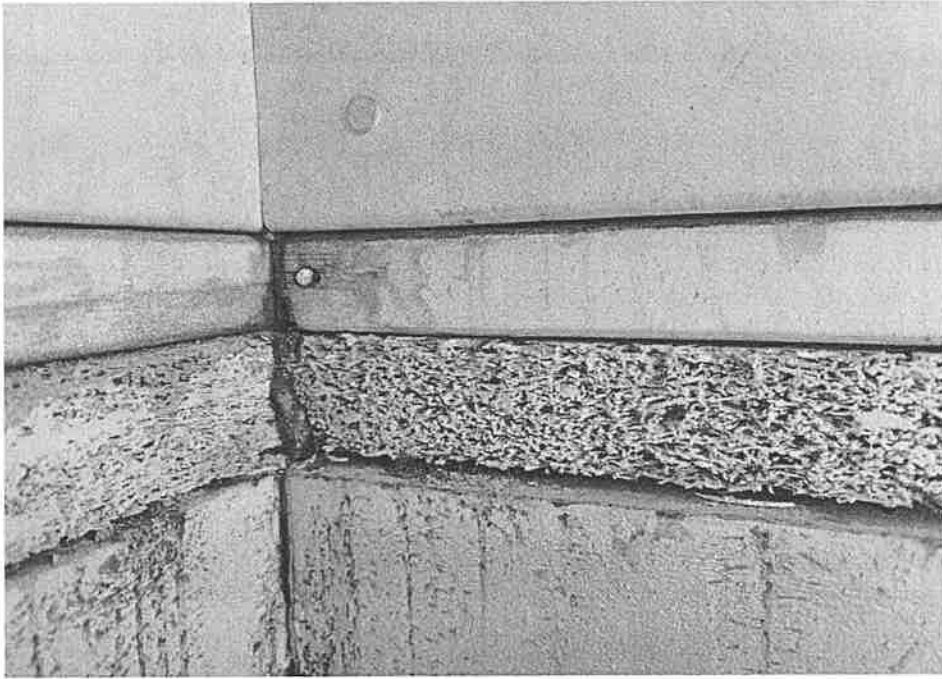




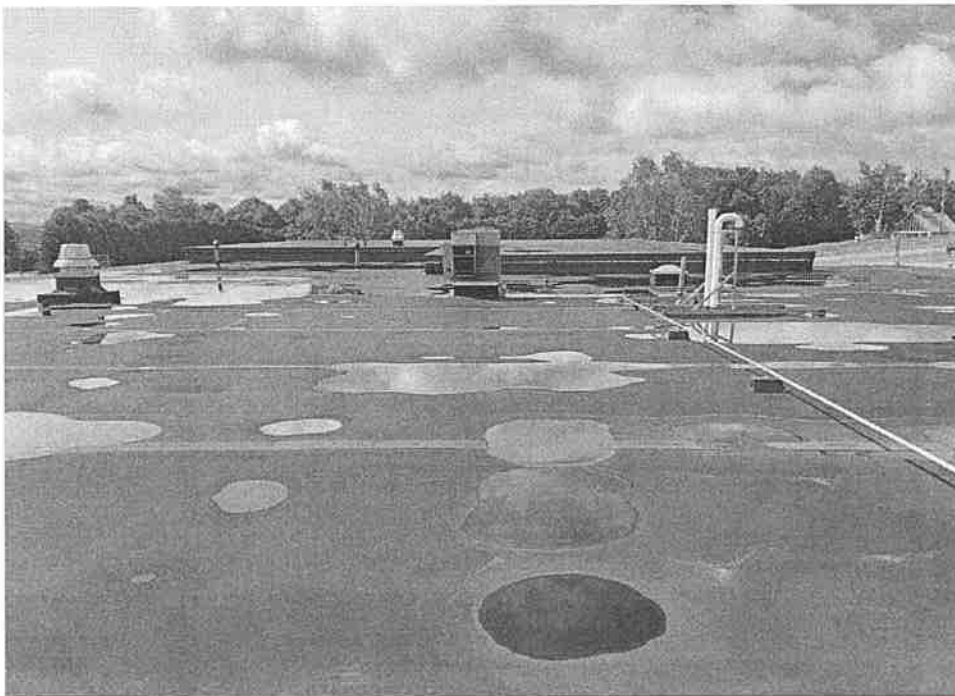
Roof area inspected.



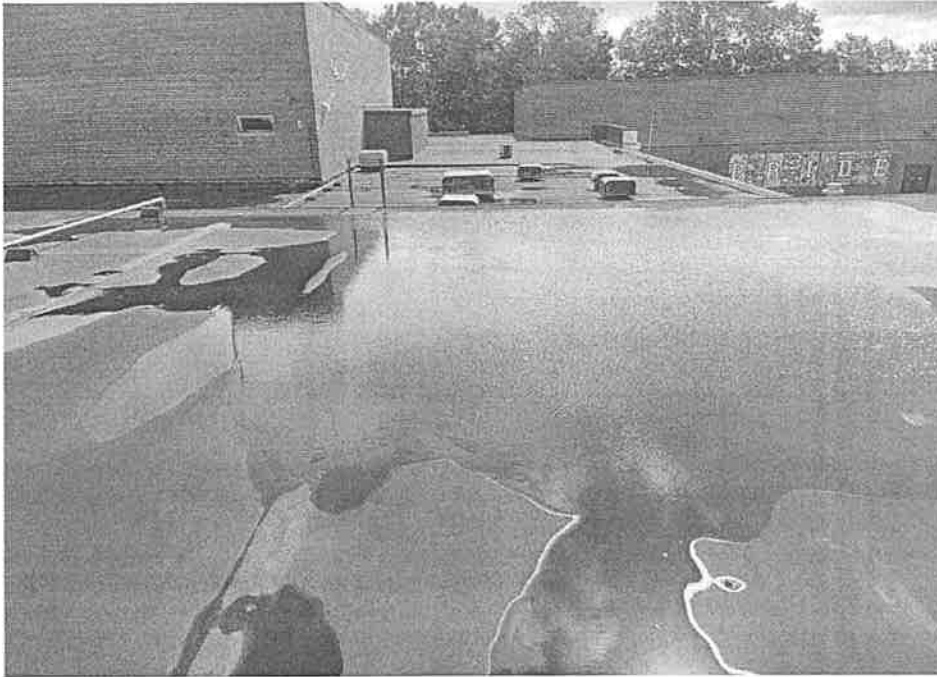
Roof access via internal hatch.



Tectum deck.

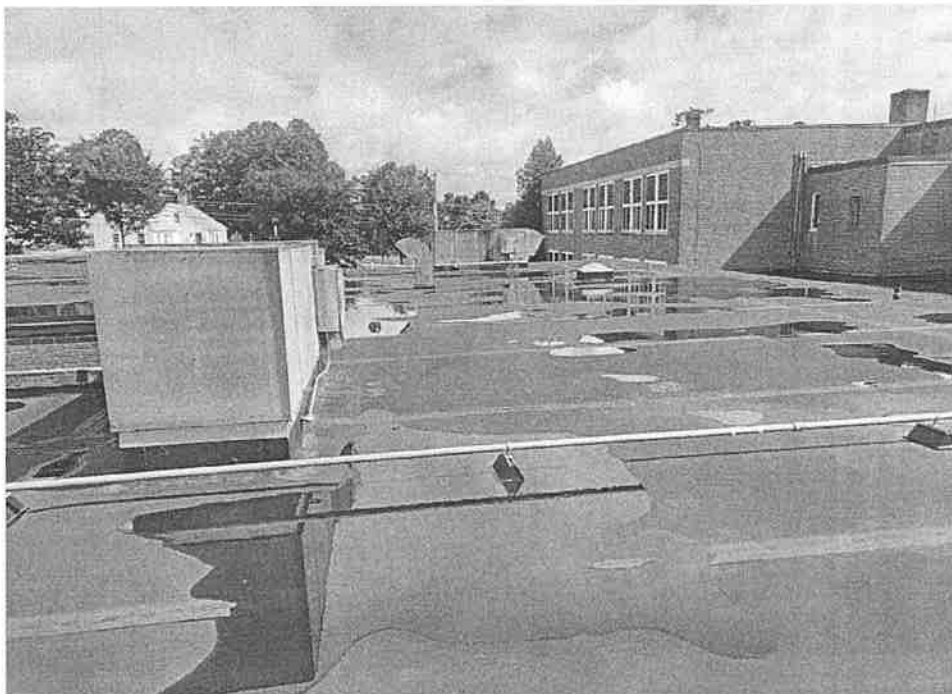


Overview of the  
roof system –  
Adhered EPDM.



Overview of the  
roof system –  
Adhered EPDM.

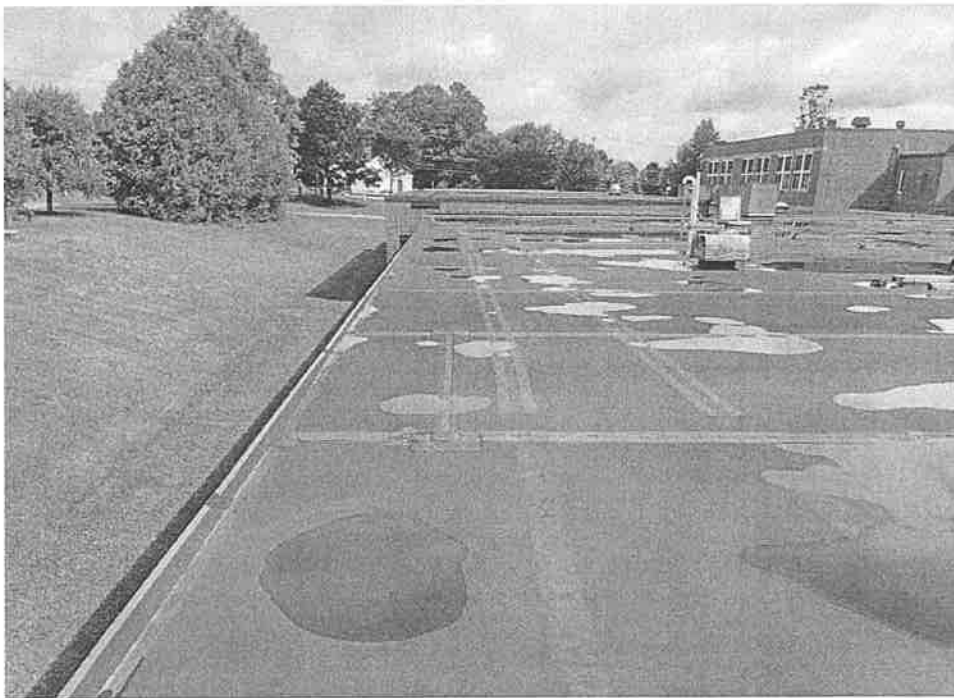
Ponding present  
throughout the  
roof system.



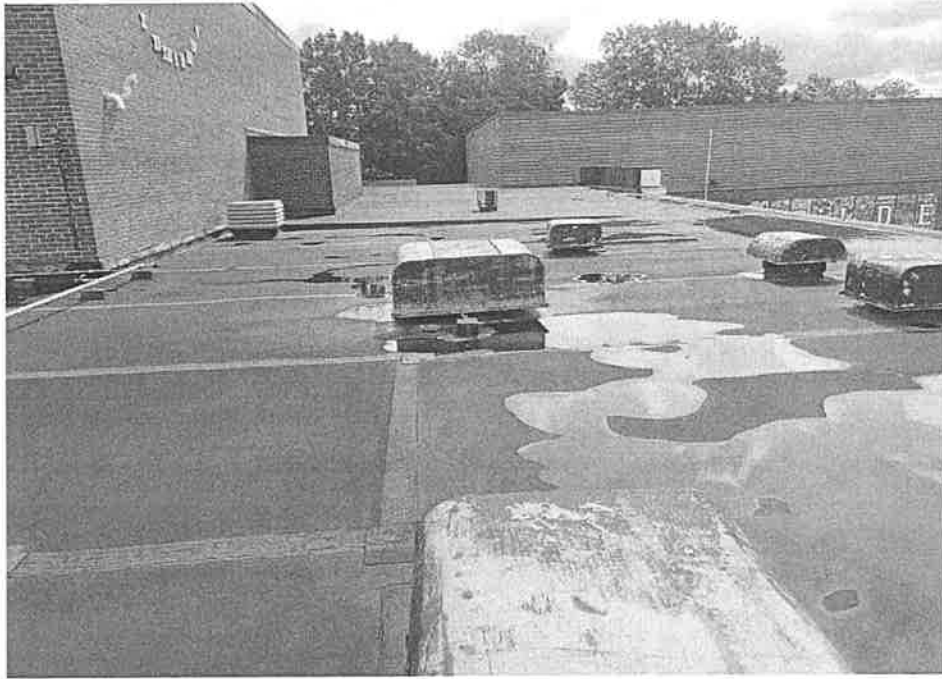
Overview of the  
roof system –  
Adhered EPDM.



Overview of the  
roof system –  
Adhered EPDM.



Overview of the  
roof system –  
Adhered EPDM.



Overview of the  
roof system –  
Adhered EPDM.



Overview of the  
roof system –  
Adhered EPDM.



Overview of the roof system – Ballasted EPDM.

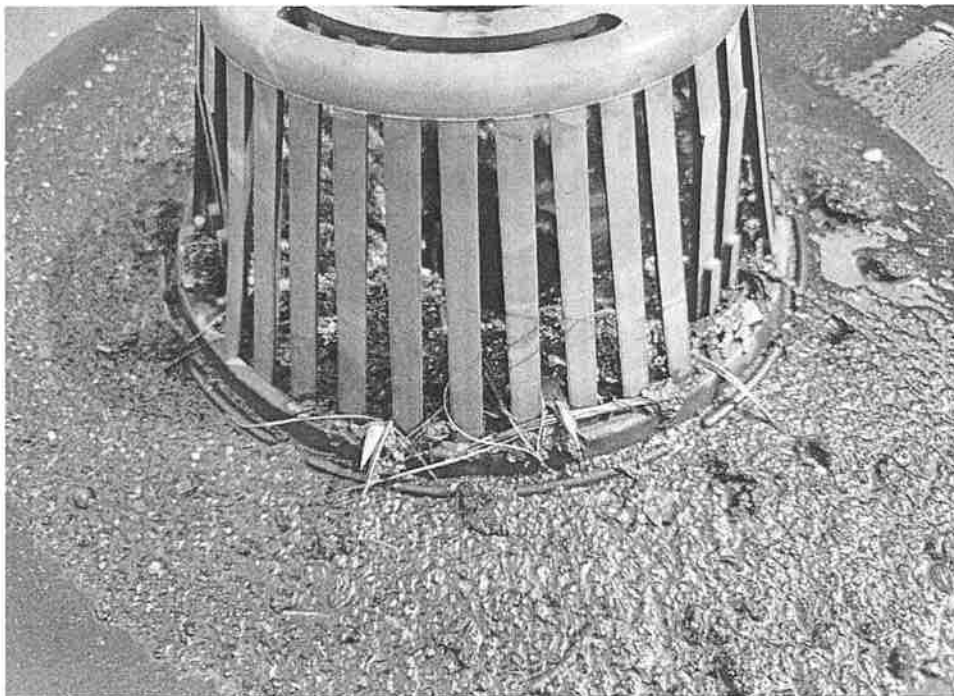


Ponding present throughout the roof. Ponding occurs when there is a lack of pitch and the water pools.

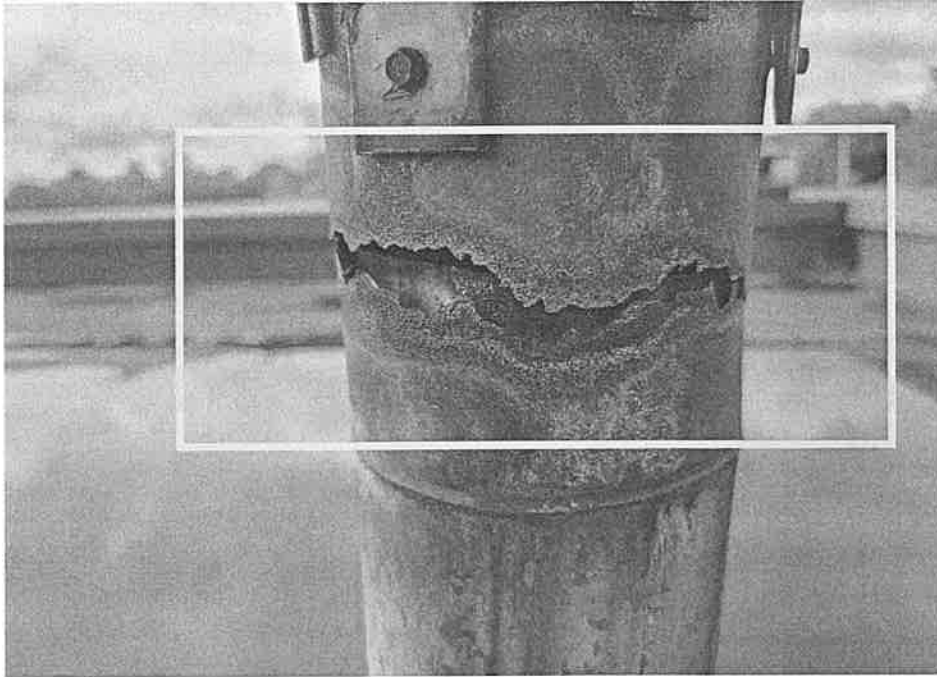
Debris present within the ponding.



Ponding and debris present throughout the roof causing a drain clog.



Drain clogged due to debris from previous ponding.

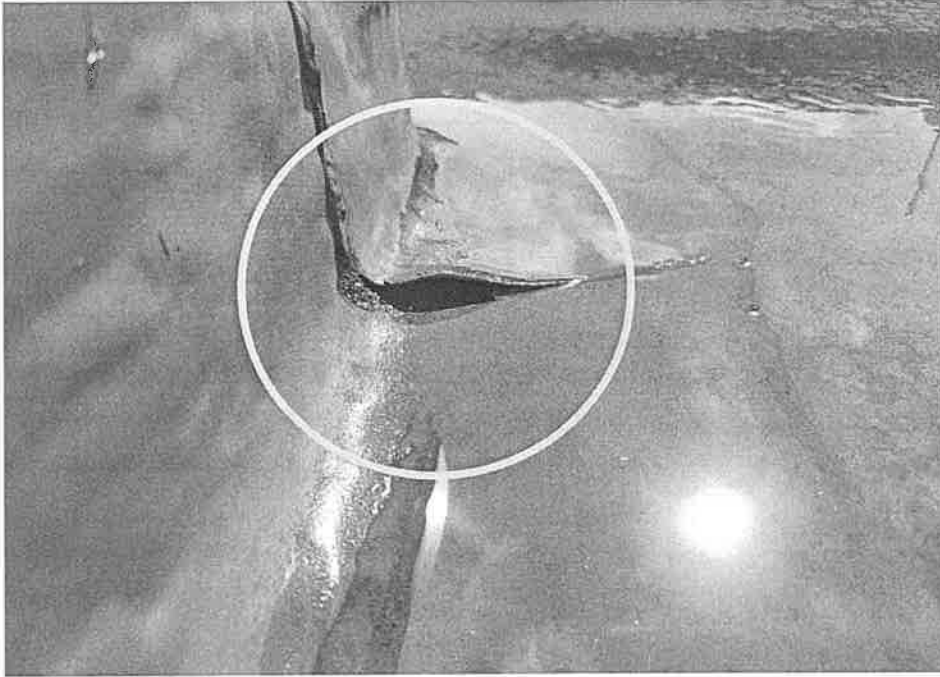


Damaged chimney cap – rusting away.

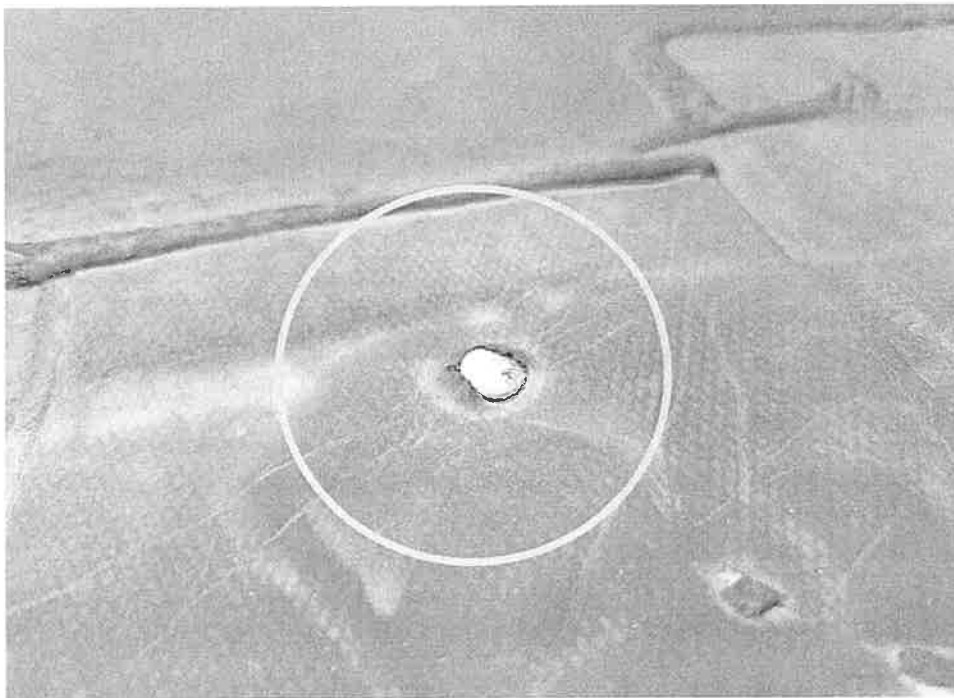


Open condition around perimeter EPDM membrane – could cause water intrusion within the insulation.

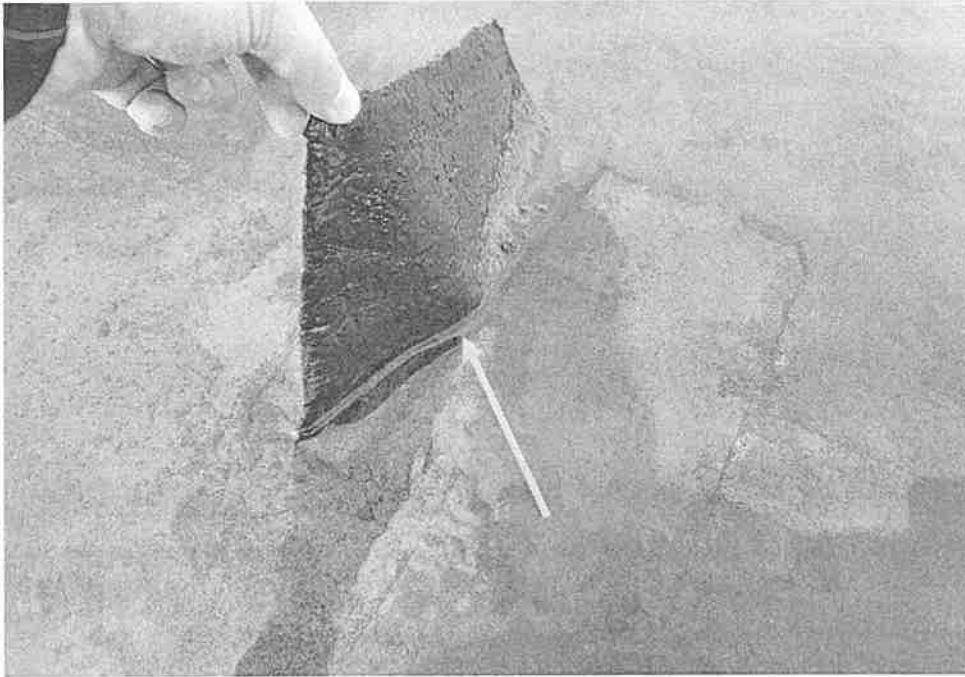




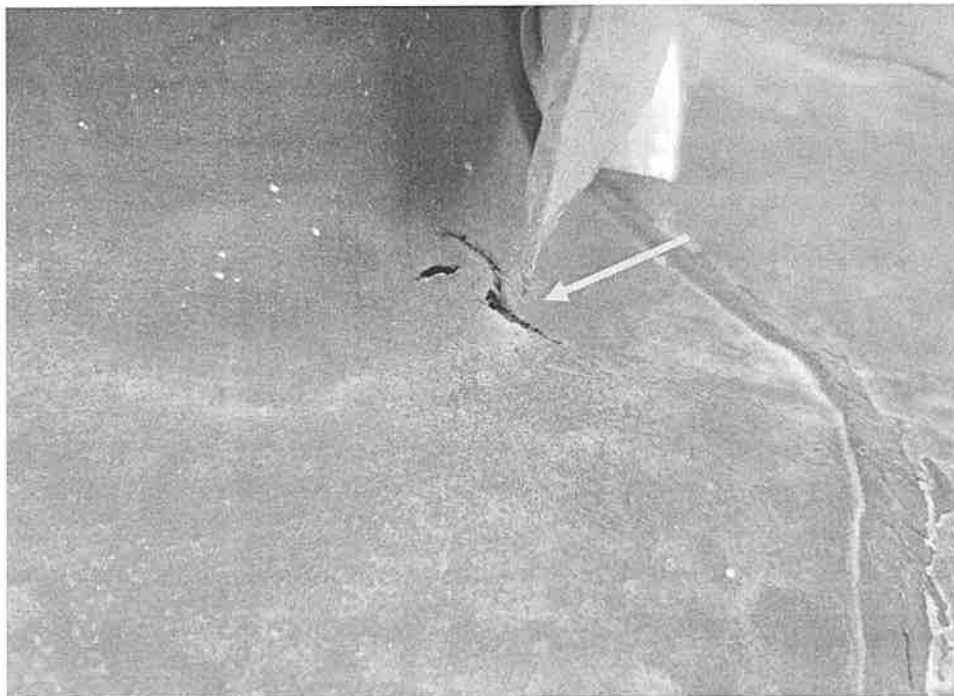
Open condition  
around vertical  
seam patches.



Open condition  
– Nail backed  
out due to  
thermal bridging  
around the roof  
perimeter.



Open condition  
– failed patch.  
Ponding around  
it has caused the  
adhesive to fail  
over time.



Open condition  
at perimeter  
corners. The  
stretching  
overtime has  
caused the  
EPDM to shrink  
and tear the  
fabric.



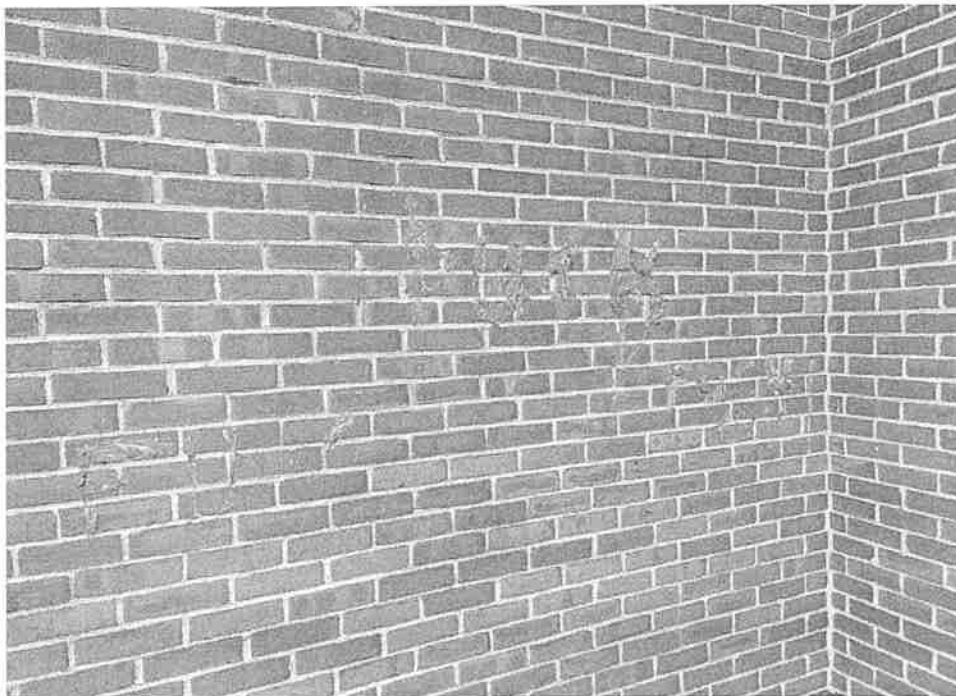
Open condition around edge metals – should be caulked or replaced to avoid water intrusion.



Nails backed out or missing around metal wall panels.



Exposed wood around windows could cause it to start rotting and could allow for water intrusion.



Profanity written on a wall – Looks like it was done with concrete or mastic.



Vegetation present on EPDM roof – could cause damage to the membrane.



Vegetation present on EPDM roof – could cause damage to the membrane.



Area of moisture concern – Soft insulation present to touch.

There may be water trapped underneath the EPDM membrane.

Approx. 4'x10' area.



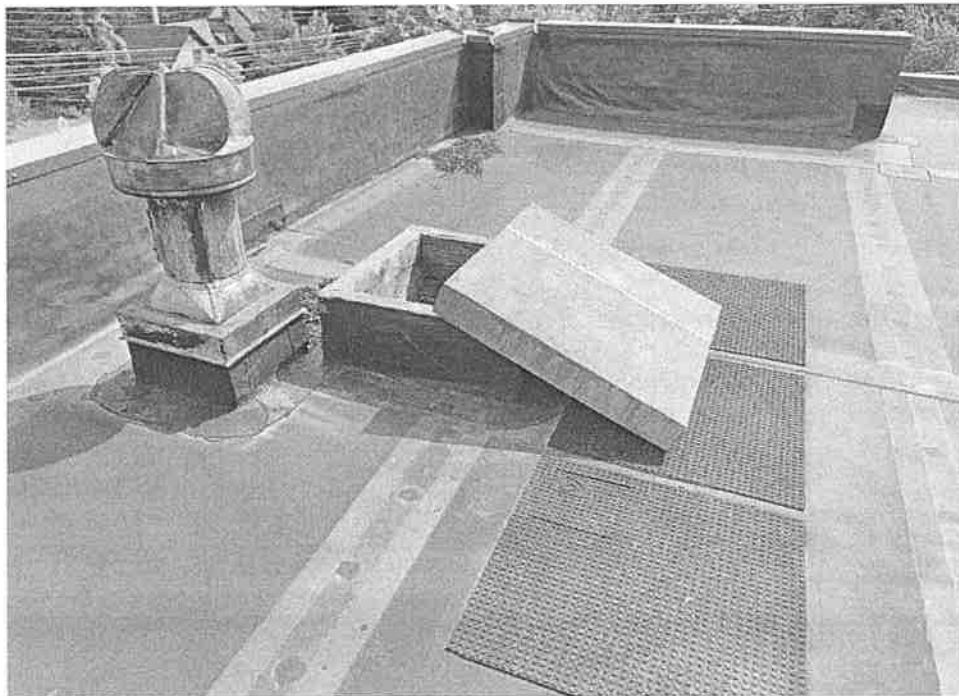
Area of moisture concern – Soft insulation present to touch.

There may be water trapped underneath the EPDM membrane.

Irregular Dimensions.



Roof area inspected.



Roof access via internal hatch.



Overview of the  
roof system –  
Adhered EPDM.

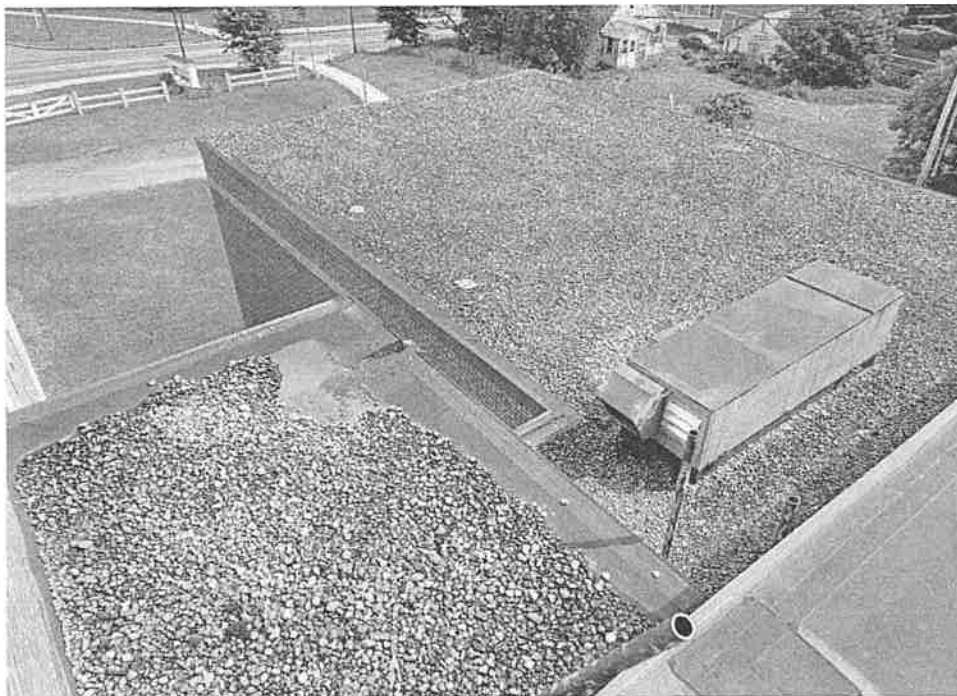


Overview of the  
roof system –  
Adhered EPDM.

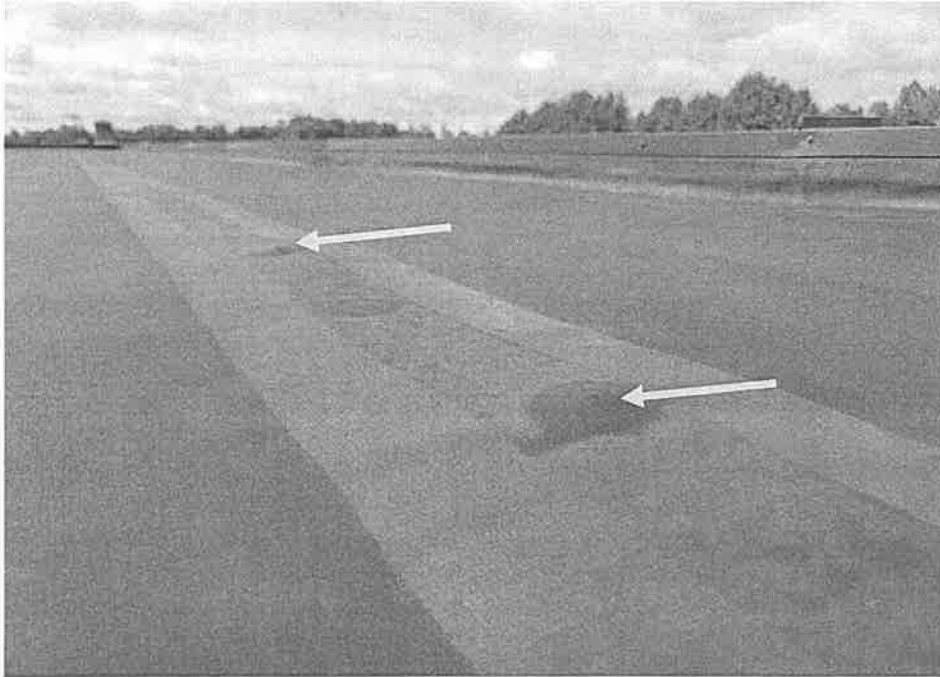




Overview of the roof system – Adhered EPDM.



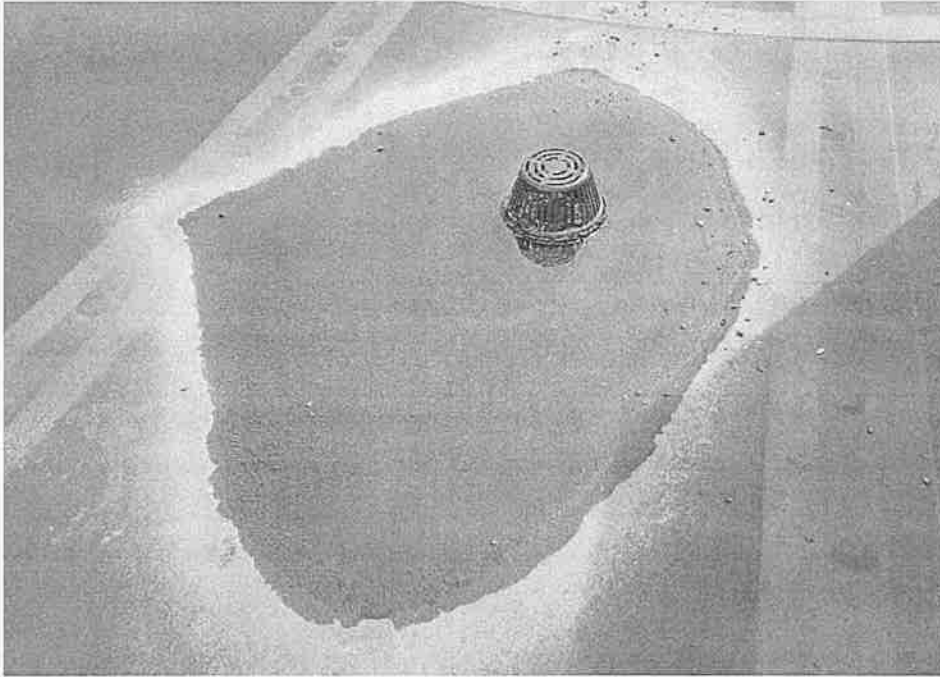
Overview of the roof system – Ballasted EPDM.



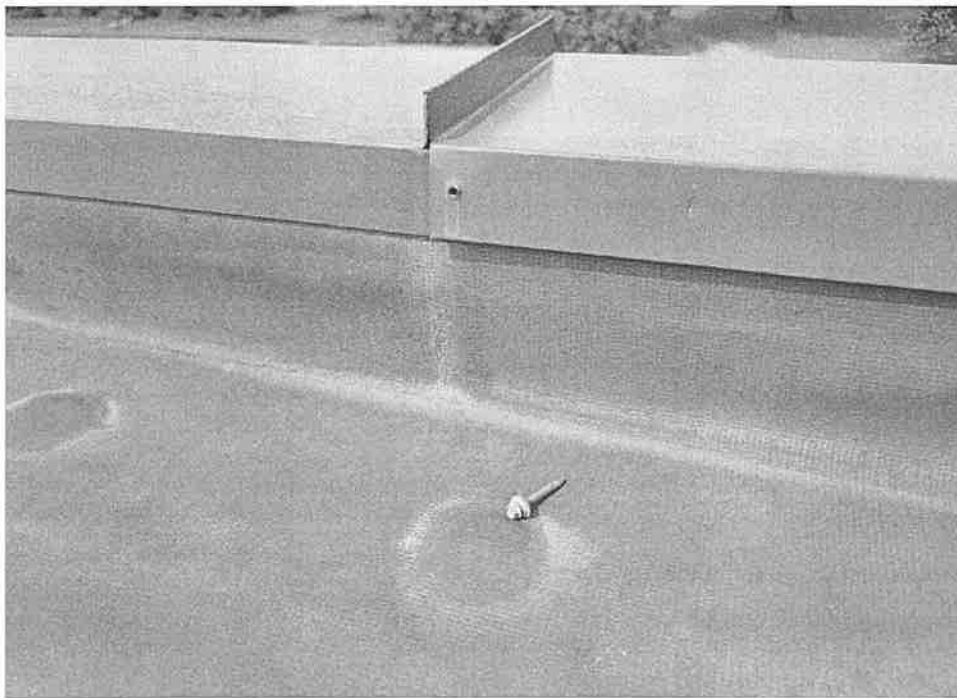
Thermal bridging happening throughout the roof. Could cause punctures in the EPDM membrane.



Debris present throughout the roof corners due to the proximity of the trees.



Drain is clogged due to ponding and debris on the roof system.



Open condition around edge metal – screw missing in a few places throughout the roof system.



Roof area inspected.



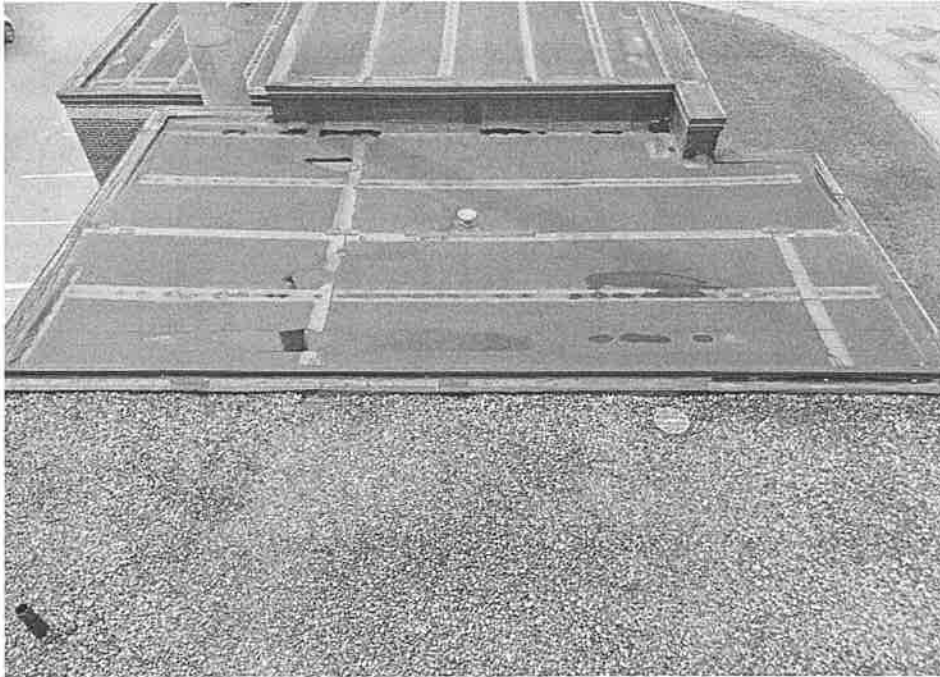
Roof access via internal hatch.



Overview of the  
roof system –  
Ballasted EPDM.



Overview of the  
roof system –  
Ballasted EPDM.



Overview of the roof system –  
Ballasted and  
Adhered EPDM.



Drain clogged  
due to ballast  
and debris  
around it.

## Roof Repairs

Solution Option	Roof Repairs
Square Footage	Approx. 75,000
Action Year	2023
Expected Life	N/A
Budget Range	\$1,950.00 - \$2,250.00

### Overview:

The roof at Danville School seems to be in decent shape. However, throughout the roof there are areas that could cause water intrusion as stated in the report above. It is best to remedy these areas before rain season starts to prevent further problems.

**Budget: \$1,950.00 to \$2,250.00**

\* Budget above includes material and labor. \*

### Additional Options:

IR Survey after repairs - \$850

### Scope of Work:

- Remove all debris on the roof system.
- Unclog and clean all drains so they can properly drain.
- Repair all failed patches of the field of the roof and the perimeter.
- Repair/Seal all perimeter edge metal.
- Caulk all edge metal sections with silicone caulk.
- Caulk all pipe boots throughout the system.
- Re-install all screws that have backed out due to thermal bridging and repair using EPDM compatible patches.

## Infrared Roof Moisture Survey

Solution Option	Roof Survey
Square Footage	Approx. 50,000
Action Year	2022
Expected Life	N/A
Budget Range	\$2,450.00

### Proposed Inspection Type:

#### Infrared Roof Moisture Survey

Conduct a moisture scan that will effectively detect any water that may have penetrated the single-ply EPDM membrane and compromised the underlying insulation assembly. This is a critical step to get an idea of scope of work for any project to take place.

**Budget: \$2,450.00**

\*Budget above includes one evening of scanning and final report of findings\*

#### Scope of Work:

- Squeegee all ponding water during the day.
- Measure entire roof.
  - Vertical and Horizontal seams
  - Field of the roof
- Survey entire roof as the sun sets.
- Mark all findings with paint.
- Record all findings for AutoCAD maps and final report.





The Royal Group, Inc.  
 150 Woodstock Ave  
 Rutland, VT 05701  
 802-773-3313  
[www.royalvt.com](http://www.royalvt.com)

# QUOTE

QUOTE #	TRGQ13873
DATE	Jun 21, 2023
<b>SALESPERSON</b>	
Agnes P Laird CRL.	
<b>JOB</b>	
Danville school	
148 Peacham, Road, Danville, VT	

To Shawn McNamara  
 Danville School  
 802-684-2292  
 shawn.mcnamara@ccsuvt.net

QTY	DESCRIPTION	UNIT PRICE	TOTAL PRICE
	LEVEL 200 RT 2  Royal Group to furnish and install Exterior handles on both doors with a keyed cylinder on each door. We will replace the interior panic bar that is missing.		\$5,043.30
	FIRE RATED PANIC BAR		
	EXTERIOR TRIM		
	EXTERIOR TRIM		
	(2) RIM CYLINDER		
	(2) 4 X 16 PLATES		
	Lock Labor		
	LEVEL 500 MIDDLE SCHOOL  Royal Group to furnish and install a vertical mullion between the (2) door leafs for the doors to lock into. We will install exterior lever handle with keyed cylinders on each door.		\$9,224.13
	(2) FIRE RATED RIM PANIC		
	EXTERIOR TRIM		
	EXTERIOR TRIM		
	(2) RIM CYLINDER		
	MULLION		
	(2) 4 X 16 PLATES		
	Lock Labor		
	Glass-Labor		
	LEVEL 100 RT 2  Royal Group to furnish and install (2) continuous hinges on each door leaf and (2) new Falcon door closers. We will install a vertical mullion between the (2) doors for them to lock into.		\$6,886.38
	EXTERIOR TRIM		
	EXTERIOR TRIM		



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# QUOTE

QUOTE #	TRGQ13873
DATE	Jun 21, 2023

QTY	DESCRIPTION	UNIT PRICE	TOTAL PRICE
	(2) RIM CYLINDER		
	(2) PLATES		
	MULLION		
	Lock Labor		
	(2) Falcon Door Closers		
	(2) Continuous Hinges		
	Glass-Labor		
	500 Level High School		\$1,824.80
	Royal Group to furnish and install (2) continuous hinges on both doors so that these doors will operator properly to close and lock.		
	The existing lever handle that is on the door now that the handle is not working is to be fixed by others.		
	(2) Continuous Hinge		
	Glass-Labor		
	<b>THIS HAS BEEN QUOTED FOR ALL WORK TO BE COMPLETED AT THE SAME TIME</b>		
		<b>SUBTOTAL</b>	\$22,978.61
		<b>SALES TAX</b>	\$0.00
		<b>TOTAL</b>	\$22,978.61

Scope of Work:  
 Please contact me if I can be of further assistance.

<p><b>Acceptance of Proposal - The above prices, specifications, and conditions are satisfactory and are hereby accepted. The Royal Group is authorized to complete the work as specified.</b></p> <p><b>All Quotes/Proposals are valid for 60 days</b></p> <p style="text-align: center;"><b>Thank You For Your Business!</b></p>	<p style="text-align: center;">_____</p> <p style="text-align: center;">Signature of Authorized Representative</p> <p style="text-align: right;">_____</p> <p style="text-align: right;">Date</p>
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# TMD Committee Minutes

August 29, 2023, Danville Town Offices

*Present: Tom Ziobrowski, Alice Kitchel, Alison Low, Glenn Herrin, Eric Hutchins, Alison Despathy, Clayton Cargill*

Glenn Herrin opened the meeting at 6:30 p.m.

The group proposed a change to the agenda to allow for introductions

## 1. Introductions

Glenn Herrin from Randolph, moved here in 2015. Currently serves on the Planning Commission, Selectboard and the Emergency Management Committee. Self-described fan of Town Meeting Day and the participation that it entails, because “it’s important to get people together to talk about things.” Wants to avoid situation in Brattleboro where they have a representative town meeting, where 138 elected town meeting day representatives conduct business. You can read more about it here: <https://www.brattleboro.org/?SEC=72B7711A-7A9D-46D8-A2B4-AD97878AA2A0> Glenn wants to keep TMD, but open to options to increase participation.

Clayton Cargill is here to represent Schoolboard representation. Loves TMD and has participated in multiple capacities over the years. He has seen dwindling participation and “exclusionary participation.” “When we sent out ballots out the participation was overwhelming,” he said. Clayton noted the irony that after the article to go to Australian ballot was roundly defeated, participants bundled remaining articles so that they could go home. Clayton is originally from Texas

Tom Ziobrowski has been Town Meeting moderator for years. In 2021 721 people voted by Australian ballot, but he still wants to have TMD. Wants to find a way to make it work better. Didn’t get to participate this year. Missed the vote for the school budget, which eventually had to be cured. Originally from PA.

Alison Low, originally from NH. Would like to increase participation because it’s an equity issue, and she too finds dwindling participation to be exclusionary participation. She found it ironic that expanding the right to vote in Town Meeting is decided by a small group of people. She is concerned that not everyone gets to participate. As an employee of the regional planning commission, she gets the day off and is encouraged to attend. People by right can get the day off, but some people have to give up a day’s pay. Would like to consider some hybrid model that allows for face-to-face and for Australian ballot, such as SB2 in NH.

Alice Kitchel: Grew up in Barnet. Alice felt that although going to ballot might “level the playing field,” TMD is an important civil tradition where people have to come face to face and be accountable to each other.

Alison Despathy: TMD is the democratic process. Face to face interaction is invaluable and civic engagement is really important. People are so busy, working, raising kids, they are trusting but not participating in the decision-making process. She felt that the article to go to Australian ballot was impulsive. Rather, she feels that we should work to make it inclusive and allow people to have a part.

Eric Hutchins: Moved to Danville 2 years ago. Originally from Montpelier. Professor was Frank Bryan. Democratic process is important, and so is TMD. He said that the assumption is that young people are

apathetic, but he has found that they are not. They are very interested in politics, but he found that they don't know how to participate and "pull the levers." What they see is corporate media and just a bunch of arguing. By contrast, politics at the hyperlocal level is talking face to face and maintaining neighbor relationships. We have to be accountable – and we can't be jerks. People can be nice to each other even though they disagree. How do we increase that level of participation? How do we become more welcoming to people?

Clayton talked about moving the election of public officials to a ballot, noting that one of the challenges at TMD is that it is illegal to campaign at a polling place. At TMD, the candidates couldn't say anything. Can you make it harder for people to get on the ballot so that people have to make themselves known? There are towns that have elections for town officials and schoolboard.

**2. Selectboard discussion and charter review:** Glenn reviewed the slides that were presented at the Selectboard. He outlined one approach for decision-making but noted that we are not bound by it. An initial target date is to do the research and come back to the selectboard in January to let them know about some of the options we are considering. There is some flexibility with that deadline, because we are not going to do anything that required a warrant article. Rather, we will be expected to brief the public on our activities at the next Town Meeting. He also referenced the charter for the group, which follows Open Meeting Law.

Recommendations for changes/improvements need to be in place by fall of 2024, and the selectboard and schoolboard should be given a range of reasonable and viable options. Changes could be incremental. The recommendations would be focused on what changes could be made, if any, to Town Meeting, rather than broader changes to public engagement. That said, if the group finds barriers to participation at Town Meeting Day, we should address them.

**3. Public Comment: There were no comments from the public.**

**4. Elect chair:** The chair will set the agenda, post notices and run the meeting. Glenn was nominated as chair by Eric. Tom also said that he could do it. Glenn nominated Tom. Clayton 2<sup>nd</sup> nomination of Tom. Tom was eventually elected the chair.

**5. Determine next/regular meeting schedule:** Everyone has pretty busy schedules, but the group ultimately landed on the first Wednesday in October (October 4<sup>th</sup> at 7:00.) The group also decided to keep October 25<sup>th</sup> (the fourth Wednesday) open. It is unclear whether the group needs one or two meetings a month. We can amend the schedule as necessary.

**6. Additional comments/discussion:** We started to identify the research needed and next steps to become better informed. We reviewed partial data on TMD participation over the years and whether there were major issues. It was noted that the Town has historical records of TMD, and these can be reviewed by scheduling an appointment. After a charter change in 2011 the highway budget and school budget have been voted on by Australian ballot. All other issues are still voted on from the floor (with the exception of the 2021 and 2022 during COVID).

There is the issue of who isn't coming and why. Traditional means of contact with non-participants may be irrelevant (i.e. FPF, etc) and you might be dealing with apathy. Surveys will need to be complemented with in-person canvassing, like at Marty's. Probably not at recycling, since everyone who goes to recycling goes to TM. As for in-person engagement on this issue, we should try to find out as much as possible when someone is willing to talk. Maybe we can uncover barriers to participation and potential solutions.

Clayton noted that TMD in 2023 was highly unusual because of the uncertainty leading up to it. No was sure that an in-person meeting would be possible until the last minute. By then, no one had asked the library to host the traditional ham dinner. People came to TMD and were asking when dinner was going to be served.

**Assignments:**

Eric: Dig through TMD records and talk to the new principal about connection with school activities and/or Capstone potential. Also talk to government and civics teacher.

Glenn: What other towns are doing in Vermont and how that has changed?

Alison D: Research current events in other towns that have brought on civic engagement. What are the towns are the most successful with engagement? (Maybe check in with Slow Democracy?)

Clayton Cargill: Research options for election of officials.

Everyone: think about what we want to learn from people who don't attend. What do we ask?

**Resources identified throughout the course of the meeting:**

Vermont Statutes online <https://legislature.vermont.gov/statutes/>

Robert's Rules of Order (first published in 1876). A one-pager would be helpful if it exists. Here is one, although it's intended for nonprofit boards: <https://www.boardeffect.com/blog/roberts-rules-of-order-cheat-sheet/>

Vermont League of Cities and Towns: The municipal assistance portal changed recently, and member communities must have an account to access resources. If there is something that people want, however, we can put in a request: <https://www.vlct.org/>

A couple of books were mentioned/recommended:

[Real Democracy](#) and [All Those in Favor](#), both by Frank M Bryan. The latter is co-authored with Susan Clark who is associated with [Slow Democracy](#) and co-authored a book by the same name.

[Stolen Focus: Why You Can't Pay Attention and How to Think Deeply Again](#); and [Lost Connection: Why You're Depressed and How to Find Hope](#), both by Johann Hari.

The meeting adjourned at 8:02 p.m.

Respectfully submitted,

Alison Low



**Caledonia Central Supervisory Union**  
Cabot School, Twinfield School,  
Danville School District, Peacham School District  
Caledonia Cooperative School District (Barnet, Walden & Waterford Schools)

PO Box 216, Danville, VT 05828 (802)684-3801x206 - Fax (802)684-1190  
Mark Tucker, Superintendent of Schools  
[mark.tucker@ccsuvt.net](mailto:mark.tucker@ccsuvt.net)

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August 28, 2023

To: Danville Board

From: Mark Tucker, Superintendent

Subj: Financial Questions and Roles and Responsibilities re Athletic Directors

When I wrote about the departure of David Conover from Cabot/TUS on August 24<sup>th</sup>, I announced that we were taking this opportunity to restructure our support for competitive athletics at Cabot, Twinfield and Danville. We are doing this by naming Randy Rathburn as the AD for all three schools, and proceeding to fill the opening left by David by naming an Assistant AD to work under Randy. This announcement has led some to question the financial aspects of this decision.

First, I want you all to understand that last school year Randy and David worked together on a number of needs and issues related to our competitive sports at the three schools. This cross-school support will continue under the new arrangement; thus, it is not the case where you are paying for Randy to support Cabot/TUS, because in return Cabot/TUS are paying the new Asst AD to support Danville. It is a shared, collaborative model intended to make sure that students at ALL three schools get the support they need, and it reflects the overall direction that competitive sports are moving in now and in the coming years (see my memo *Evolution of Competitive Sports* Aug 10<sup>th</sup>).

Currently, Danville pays Randy's salary. Cabot/TUS was paying David's salary until he left at the end of last week, and they will pay the salary of the Assistant AD. So, this is not all falling on Danville.

Because the sports season has already started, we had to make a quick move to make sure that Randy has enough help. We posted the Assistant AD job, but in the interim we have hired Dana Welch as Assistant AD. It seems likely that Dana will end up in the position permanently since ADs are a rare breed, but we will make that decision in the coming weeks. Until then, Dana is highly-qualified. He has a degree in Sports Management (just like Randy) and has worked as an AD at other schools, including most recently at Lyndon Town School. He was recommended to me by Randy and they have a friendly working relationship already.

There will be a separate discussion about whether these two positions will move out from the individual school budgets and underneath CCSU. That discussion will occur when I return from medical leave, before we set the CCSU budget. In the meantime, I hope you all will welcome the fact that we have an athletic leadership team in place that cares most about our students, and that no one is being taken advantage of financially because of this shift in titles.

Mark

**“It is the mission of the Caledonia Central Supervisory Union and its seven member schools to create a learning community in which each individual can achieve the highest standards of excellence in intellectual growth and citizenship.”**

# Precision Property Management

(802) 535-8940 | matthewcolburn84@gmail.com

**RECIPIENT:**

**Danville School**

143 Peacham Road  
Danville, Vermont 05828

**Quote #2**

Sent on Aug 17, 2023

**Total \$7,000.00**

PRODUCT / SERVICE	DESCRIPTION	QTY.	UNIT PRICE	TOTAL
Varsity Baseball Field	<p>Scope of Work:</p> <p>Cedar Hedge Trimming on both sides and the top of hedges that create the boundaries of the JV Soccer/Baseball fields at the town athletic complex.</p> <p>Contractor to trim hedges back in a manor that only cuts new growth off and creates a neat appearance of the hedge. Tops to be trimmed back to create a height of around 11' (overall goal), this may not be able to be done in some areas due to heavy growth since last trimming.</p>	1	\$3,150.00	\$3,150.00
Varsity Soccer Field	<p>Scope of Work:</p> <p>Cedar Hedge Trimming on sides and top of hedges that create the boundaries of the Varsity Soccer field at the town athletic complex.</p> <p>Contractor to trim hedges back in a manor that only cuts new growth off and creates a neat appearance of the hedge. Tops to be trimmed back to create a height of around 11' (overall goal), this may not be able to be done in some areas due to heavy growth since last trimming.</p>	1	\$3,850.00	\$3,850.00

**Total** **\$7,000.00**

This quote is valid for the next 30 days, after which values may be subject to change.