

VIRTUAL LEARNING ACADEMY CHARTER SCHOOL

Financial Statements

June 30, 2024

and

Independent Auditor's Report

VIRTUAL LEARNING ACADEMY CHARTER SCHOOL
FINANCIAL STATEMENTS
June 30, 2024

TABLE OF CONTENTS

		Page(s)
INDEPENDENT AUDITOR'S REPORT		
MANAGEMENT'S DISCUSSION AND ANALYSIS		i-v
	BASIC FINANCIAL STATEMENTS	
EXHIBITS:		
A	Statement of Net Position	1
B	Statement of Activities	2
C	Balance Sheet – Governmental Funds	3
C-1	Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	4
D	Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	5
D-1	Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6
NOTES TO BASIC FINANCIAL STATEMENTS		7-21
	REQUIRED SUPPLEMENTARY INFORMATION	
1	Schedule of Changes in the School's Proportionate Share of the Net OPEB Liability	22
2	Schedule of School OPEB Contributions	23
3	Schedule of Changes in the School's Proportionate Share of the Net Pension Liability	24
4	Schedule of School Pension Contributions	25

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Virtual Learning Academy Charter School

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Virtual Learning Academy Charter School, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Virtual Learning Academy Charter School's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Virtual Learning Academy Charter School, as of June 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Virtual Learning Academy Charter School, 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 Virtual Learning Academy Charter School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, 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 Virtual Learning Academy Charter School'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 Virtual Learning Academy Charter School'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, schedule of changes in the School's proportionate share of the net OPEB liability, schedule of School OPEB contributions, schedule of changes in the School's proportionate share of the net pension liability, and schedule of School pension contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Vachon Clukay & Company PC

Manchester, New Hampshire
March 27, 2025

VIRTUAL LEARNING ACADEMY CHARTER SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2024

Presented herewith please find the Management Discussion & Analysis Report for the Virtual Learning Academy Charter School (VLACS) for the fiscal year ending June 30, 2024. The responsibility for accuracy of the data, the completeness and fairness of this documentation (including all disclosures) rests with management. To the best of our knowledge and belief, the data contained herein is accurate in all material aspects. This report and its content have been designed to fairly present the school's financial position, including the results of operations of all funds. All the disclosures necessary to enable and to assist the reader in acquiring an accurate understanding of the school's financial activities have been included.

VLACS is responsible for establishing accounting and internal control structures designed to ensure that the physical, data, informational, intellectual, and human resource assets of VLACS are protected from loss, theft, and misuse, and to ensure that adequate accounting information is maintained and reported in conformity with generally accepted accounting principles (GAAP). Management also strives to ensure that these assets are put to good and effective use. The internal control structure is designed to provide reasonable assurances that these objectives are attained.

Overview of the Financial Statements

The financial statements presented herein include all the activities of VLACS using the integrated approach as prescribed by GASB Statement 34.

This discussion and analysis is intended to serve as an introduction to the VLACS's financial statements. The basic financial statements are comprised of the following three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the VLACS's finances, in a similar manner to most private-sector companies.

The Statement of Net Position presents information on all VLACS's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the remaining difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the school's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the school's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain the control over resources that have been segregated for specific activities or objectives. VLACS uses fund accounting to ensure and to demonstrate compliance with finance-related legal requirements. All the school's funds are included in one category, governmental funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, our readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between the governmental activities Statement of Net Position and Statement of Activities.

VLACS maintains numerous individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, which is the school's sole major fund. Data for the other governmental funds, such as the Grants Fund and McGarr Fund, are combined into a single, aggregate presentation..

Notes to the Basic Financial Statements

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

Other Information

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

Financial Highlights

As of the close of the fiscal year, total assets and deferred outflows of resources were exceeded by liabilities and deferred inflows of resources by ($2,737,494) (i.e., net position), a decrease of ($734,035) from the previous year.

Total Governmental Funds reported combined ending fund balances of $2,303,845, a decrease of ($312,486) from the previous year.

The General Fund shows a year end fund balance of $2,179,696, a decrease of ($336,594) from the previous year.

The Nonmajor Governmental Funds show a fund balance of $124,149, an increase of $24,108 from the previous year.

VIRTUAL LEARNING ACADEMY CHARTER SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2024

Government-Wide Financial Analysis

Statement of Net Position for the fiscal years ending June 30, 2024 and 2023:

	2024	2023
Capital and Other Assets:		
Capital assets, net	$ 1,021,375	$ 861,210
Other assets	2,996,108	3,333,703
Total Assets	4,017,483	4,194,913
Deferred Outflows of Resources	1,996,470	2,950,856
Long-term and Other Liabilities:		
Long-term liabilities	7,938,541	8,243,615
Other liabilities	692,263	717,372
Total Liabilities	8,630,804	8,960,987
Deferred Inflows of Resources	120,643	188,241
Net Position:		
Net investment in capital assets	1,021,375	789,378
Unrestricted	(3,758,869)	(2,792,837)
Total Net Position	$ (2,737,494)	$ (2,003,459)

Statement of Activities for the fiscal years ending June 30, 2024 and 2023:

	2024	2023
Program revenues:		
Charges for services	$ 170,016	$ 207,203
Operating grants and contributions	273,812	77,455
Total program revenues	443,828	284,658
General revenues:		
State adequacy education grant	12,555,692	12,084,956
Interest and investment earnings	114,391	59,102
Miscellaneous	11,995	58,503
Total general revenues	12,682,078	12,202,561
Total revenues	13,125,906	12,487,219

Program expenses:		
Instruction	5,895,278	6,243,631
Student support	1,023,213	2,077,461
Instructional staff services	1,176,086	
Technology	1,288,370	1,212,722
General administration	697,449	625,519
School administration	785,511	763,164
Operations and maintenance of plant	225,197	112,681
Other services and benefits	2,768,837	2,631,170
Total program expenses	13,859,941	13,666,348
Excess (deficiency) before loss on disposal of assets	(734,035)	(1,179,129)
Loss on disposal of assets	-	(2,622)
Change in net position	(734,035)	(1,181,751)
Net position - beginning of year	(2,003,459)	(821,708)
Net position - ending of year	$ (2,737,494)	$ (2,003,459)

Financial Analysis

Government-Wide

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net position was a deficit of ($2,737,494), a decrease of ($734,035) from the previous year. See page six of the Basic Financial Statements for a detailed reconciliation between the government-wide and fund financial statements change in net position.

A significant portion of net position $1,021,375 reflects our investment in capital assets (e.g., land, buildings, and equipment); less any related debt used to acquire those assets that are still outstanding. These capital assets are used to provide services to the students; consequently, these assets are not available for future spending.

The remaining unrestricted amount is what is available to meet the government's ongoing obligations to its citizens and creditors. The significant deficit unrestricted net position balance at year end is due to reporting requirements in which the school is required to include its proportionate share of the New Hampshire Retirement System's unfunded pension and OPEB liabilities. A deficit unrestricted net position balance is expected to continue into subsequent years.

Governmental Funds

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

As of the end of the current fiscal year, VLACS's governmental funds reported combined ending fund balances of $2,303,845, a decrease of ($312,486) when compared to the last fiscal year. This includes a

($336,594) decrease in the total fund balance of the General Fund. The General Fund is the chief operating fund of the school.

Fund Balances for the School may fall into one of the five following classifications - Nonspendable, Restricted, Committed, Assigned and Unassigned.

Non-spendable amounts include $206,555 of prepaid items. Committed Fund Balances include $124,149 for scholarships. The remaining portion of the school's fund balance, $1,973,141 is unassigned at year end. See the Balance Sheet – Governmental Funds on page three of the financial statements for additional information.

Capital Assets

VLACS considers a capital asset to be an asset whose cost equals or exceeds $5,000 and has a useful life of greater than one year. Assets are depreciated using the straight-line method over the course of their estimated useful life. See Note 3 in the Notes to the Basic Financial Statements for additional information on the capital assets activity.

Long-Term Obligations

The liabilities for other postemployment benefits and net pension had net decreases in potential future payments of ($52,479) and ($180,763), respectively. See Notes 5 and 6 in the Notes to the Basic Financial Statements for additional information regarding the other postemployment benefits and net pension liability.

EXHIBIT A
VIRTUAL LEARNING ACADEMY CHARTER SCHOOL
Statement of Net Position
June 30, 2024

	Governmental Activities
ASSETS	
Current Assets:	
Cash and cash equivalents	$ 2,591,001
Investments	823
Due from other governments	197,729
Prepaid items	206,555
Total Current Assets	2,996,108
Noncurrent Assets:	
Capital assets:	
Depreciable capital assets, net	1,021,375
Total Noncurrent Assets	1,021,375
Total Assets	4,017,483
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to OPEB	47,165
Deferred outflows related to pension	1,949,305
Total Deferred Outflows of Resources	1,996,470
LIABILITIES	
Current Liabilities:	
Accounts payable	47,029
Accrued liabilities	645,234
Total Current Liabilities	692,263
Noncurrent liabilities:	
OPEB liability	493,618
Net pension liability	7,444,923
Total Noncurrent Liabilities	7,938,541
Total Liabilities	8,630,804
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pension	120,643
Total Deferred Inflows of Resources	120,643
NET POSITION	
Net investment in capital assets	1,021,375
Unrestricted (deficit)	(3,758,869)
Total Net Position (deficit)	$ (2,737,494)

See accompanying notes to the basic financial statements

EXHIBIT B

VIRTUAL LEARNING ACADEMY CHARTER SCHOOL

Statement of Activities

For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:				
Instruction	$ 5,895,278	$ 170,016		$ (5,725,262)
Student support	1,023,213		$ 17,800	(1,005,413)
Instructional staff services	1,176,086			(1,176,086)
Technology	1,288,370		230,000	(1,058,370)
General administration	697,449		7,112	(690,337)
School administration	785,511		18,900	(766,611)
Operation and maintenance of plant	225,197			(225,197)
Other services and benefits	2,768,837			(2,768,837)
Total governmental activities	$ 13,859,941	$ 170,016	$ 273,812	(13,416,113)
General revenues:				
State adequacy education grant				12,555,692
Interest and investment earnings				114,391
Miscellaneous				11,995
Total general revenues				12,682,078
Change in net position				(734,035)
Net Position (deficit) at beginning of year				(2,003,459)
Net Position (deficit) at end of year				$ (2,737,494)

See accompanying notes to the basic financial statements

EXHIBIT C
VIRTUAL LEARNING ACADEMY CHARTER SCHOOL
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 2,591,001		$ 2,591,001
Investments	823		823
Due from other governments	159,729	$ 38,000	197,729
Due from other funds	38,000	124,149	162,149
Prepaid items	206,555		206,555
Total Assets	2,996,108	162,149	3,158,257
DEFERRED OUTFLOWS OF RESOURCES			
Total Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows of Resources	$ 2,996,108	$ 162,149	$ 3,158,257
LIABILITIES			
Accounts payable	$ 47,029		$ 47,029
Accrued liabilities	645,234		645,234
Due to other funds	124,149	$ 38,000	162,149
Total Liabilities	816,412	38,000	854,412
DEFERRED INFLOWS OF RESOURCES			
Total Deferred Inflows of Resources	-	-	-
FUND BALANCES			
Nonspendable:			
Prepaid items	206,555		206,555
Committed for:			
Scholarships		124,149	124,149
Unassigned:			
Unassigned - General operations	1,973,141		1,973,141
Total Fund Balance	2,179,696	124,149	2,303,845
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 2,996,108	$ 162,149	$ 3,158,257

See accompanying notes to the basic financial statements

EXHIBIT C-1

VIRTUAL LEARNING ACADEMY CHARTER SCHOOL
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2024

Total Fund Balances - Governmental Funds (Exhibit C)	$ 2,303,845
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets and intangible right to use assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,021,375
Deferred outflows of resources and deferred inflows of resources that do not require or provide the use of current financial resources are not reported within the funds.	
Deferred outflows of resources related to OPEB	47,165
Deferred outflows of resources related to pension	1,949,305
Deferred inflows of resources related to pension	(120,643)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Long-term liabilities at year end consist of:	
OPEB liability	(493,618)
Net pension liability	(7,444,923)
Net Position of Governmental Activities	$ (2,737,494)

See accompanying notes to the basic financial statements

EXHIBIT D

VIRTUAL LEARNING ACADEMY CHARTER SCHOOL

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2024

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Intergovernmental	$ 12,555,692	$ 273,812	$ 12,829,504
Charges for services	170,016		170,016
Investment income	114,391		114,391
Miscellaneous	11,937	58	11,995
Total Revenues	12,852,036	273,870	13,125,906
Expenditures:			
Current operations:			
Instruction	5,882,303	6,050	5,888,353
Student support	1,005,413	17,800	1,023,213
Instructional staff services	1,196,466		1,196,466
Technology	1,071,838	230,000	1,301,838
General administration	673,310	7,112	680,422
School administration	766,611	18,900	785,511
Operation and maintenance of plant	447,298		447,298
Other services and benefits	2,115,291		2,115,291
Total Expenditures	13,158,530	279,862	13,438,392
Excess revenues over (under) expenditures	(306,494)	(5,992)	(312,486)
Other financing sources (uses):			
Transfers in		30,100	30,100
Transfers out	(30,100)		(30,100)
Total Other financing sources (uses)	(30,100)	30,100	-
Net change in fund balances	(336,594)	24,108	(312,486)
Fund Balance at beginning of year	2,516,290	100,041	2,616,331
Fund Balance at end of year	$ 2,179,696	$ 124,149	$ 2,303,845

See accompanying notes to the basic financial statements

EXHIBIT D-1

VIRTUAL LEARNING ACADEMY CHARTER SCHOOL
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2024

Net Change in Fund Balances - Governmental Funds (Exhibit D)	$ (312,486)
Amounts reported for governmental activities in the 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 and amortization expense. Capital outlays and depreciation and amortization expense in the current period are as follows:	
Capital outlay	269,462
Depreciation expense	(56,500)
Amortization expense	(50,316)
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss of disposed capital assets reduced by the actual proceeds received from the sale of capital assets.	(2,481)
Repayment of SBITA principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of activities.	71,832
Governmental funds report OPEB and pension contributions as expenditures. However, in the statement of activities, OPEB and pension expense reflects the change in the OPEB liability and net pension liability and related deferred outflows and inflows of resources, and does not require the use of current financial resources. This is the amount by which OPEB and pension expense differed from OPEB and pension contributions in the current period.	
Net changes in OPEB	34,931
Net changes in pension	(688,477)
Change in Net Position of Governmental Activities	$ (734,035)

See accompanying notes to the basic financial statements

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Virtual Learning Academy Charter School conform to accounting principles generally accepted in the United States of America for local educational units of government, except as indicated hereinafter. The Virtual Learning Academy Charter School is organized as a nonprofit organization to provide public charter school educational services as authorized by the State of New Hampshire Department of Education. The provisions of the State of New Hampshire RSA 194-B:10 requires public charter schools to comply with the same financial reporting requirements imposed upon a traditional public school district, on a governmental basis of presentation. Accordingly, the Virtual Learning Academy Charter School's basis of presentation follows the governmental reporting model. The following is a summary of significant accounting policies.

Financial Reporting Entity

The Virtual Learning Academy Charter School (the "School") is a public charter school as defined by the provisions of the State of New Hampshire RSA 194-B Chartered Public School. The School is organized as a 501(c)(3) nonprofit public charity of the Internal Revenue Code. The School was formed to use new and emerging distance learning technologies to provide anytime, anywhere access to a rigorous personalized education that helps students learn today, graduate tomorrow, and prepare for the future. The School is governed by a Board of Trustees comprised of seven members and operates under a charter approved by the State on May 9, 2007.

Basis of Presentation

The School's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

1. **Government-Wide Financial Statements:**

The statement of net position and the statement of activities display information about the School as a whole. These statements include the financial activities of the primary government.

The statement of net position presents the financial condition of the governmental activities of the School at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that are required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School.

2. **Fund Financial Statements:**

During the year, the School segregates transactions related to certain School functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column.

Fund Accounting

The School uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The School solely employs the use of governmental funds.

1. **Governmental Funds:**

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources, and liabilities and deferred inflows of resources, is reported as fund balance. The following is the School's sole major governmental fund:

The *General Fund* is the main operating fund of the School and is used to account for all financial resources except those required to be accounted for in another fund.

Measurement Focus

1. **Government-Wide Financial Statements:**

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the School are included on the Statement of Net Position.

2. **Fund Financial Statements:**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue and in the presentation of expenses versus expenditures.

1. **Revenues – Exchange and Non-exchange Transactions:**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School, available means expected to be received within sixty days of fiscal year end.

Non-exchange transactions, in which the School receives value without directly giving equal value in return, include grants, entitlements and donations. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: State adequacy funding, grants, and student fees.

Grants and entitlements received before the eligibility requirements are met are recorded as advances from grantors. On governmental fund financial statements, receivables that will not be collected within the available period are reported as deferred inflows of resources.

2. **Expenses/Expenditures:**

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization are not recognized in governmental funds.

Budgetary Data

The School's budget represents functional appropriations as authorized by the Board of Trustees. The Board of Trustees may transfer funds between operating categories as they deem necessary. The basis of the budget adopted by the School differs somewhat from accounting principles generally accepted in the United States of America, in that the focus is on the School as a whole, rather than on the basis of fund types.

Capital Assets

General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The School maintains a capitalization threshold of $500. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Years
Furniture and equipment	5-8
Building improvements	20

Intangible right-to-use assets from subscription-based information technology arrangements are amortized over the life of the related contract.

SBITA Liabilities and Related Assets

Subscription-based information technology arrangement (SBITA) liabilities are measured at the present value of the subscription payments expected to be made during the subscription term. Intangible right-to-use SBITA assets are measured at the initial measurement of the SBITA liability, plus any payments made to the SBITA vendor before commencement of the subscription term and certain direct costs.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current resources are reported as obligations of the funds. Other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Hampshire Retirement System (NHRS) OPEB Plan and additions to/deductions from NHRS's fiduciary net position have been determined on the same basis as they are reported by NHRS. For this purpose, NHRS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for non-registered commingled funds valued at net asset value (NAV) as a practical expedient to estimate fair value.

Pensions

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

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances on any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the residual amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

The School's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance Policy

The School has segregated fund balance into five classifications: Nonspendable, Restricted, Committed, Assigned, and Unassigned. These components of fund balance are defined as follows:

- *Nonspendable Fund Balance*: Amounts that are not in a spendable form or are required to be maintained intact.
- *Restricted Fund Balance*: Amounts constrained to specific purposes stipulated by external resource providers or through enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers or by the enabling legislation.
- *Committed Fund Balance*: Amounts constrained to specific purposes by the entity itself using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the entity takes the same highest-level action to remove or change the constraint.
- *Assigned Fund Balance*: Amounts an entity intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- *Unassigned Fund Balance*: Amounts that are available for any purpose; these amounts are reported only in the General Fund, except for any deficit fund balance of another governmental fund.

As of June 30, 2024, the School has not adopted a formal fund balance policy.

In circumstances where expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, restricted fund balance is considered to have been spent first. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, committed amounts should be reduced first, followed by assigned amounts then unassigned amounts.

Estimates

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

NOTE 2—DEPOSITS AND INVESTMENTS

Deposits and investments as of June 30, 2024, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and cash equivalents	$ 2,591,001
Investments	823
	$ 2,591,824

Deposits and investments as of June 30, 2024 consist of the following:

Deposits with financial institutions	$ 2,591,001
Investments	823
	$ 2,591,824

The School limits its investments to money market investment accounts, certificates of deposit, United States Government obligations, and participation in the public deposit investment pool (NHPDIP) in accordance with New Hampshire State Law (RSA 197:23-a)..

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the School's deposits may not be returned to it. In accordance with the School's investment policy, all deposits in excess of federal depository insurance must be secured by collateral having a value at least equal to the amount of such funds.

Of the School's deposits with financial institutions at year end, $2,560,210 was collateralized by securities held by the bank in the bank's name.

NOTE 3—CAPITAL ASSETS

The following is a summary of changes in capital assets of the governmental activities:

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024
Capital assets not being depreciated:				
Construction in progress	695,447		$ (695,447)	
Total capital assets not being depreciated	695,447	$ -	(695,447)	$ -
Capital assets being depreciated:				
Furniture and equipment	320,810	39,853	(163,828)	196,835
Building improvements	18,122	925,056	(18,122)	925,056
Intangible right-to-use SBITA assets	140,848			140,848
Total capital assets being depreciated	479,780	964,909	(181,950)	1,262,739
Less accumulated depreciation for:				
Furniture and equipment	(245,488)	(29,519)	161,256	(113,751)
Building improvements	(18,213)	(26,981)	18,213	(26,981)
Less accumulated amortization for:				
Intangible right-to-use SBITA assets	(50,316)	(50,316)		(100,632)
Total accumulated depreciation and amortization	(314,017)	(106,816)	179,469	(241,364)
Total capital assets being depreciated, net	165,763	858,093	(2,481)	1,021,375
Total capital assets, net	$ 861,210	$ 858,093	$ (697,928)	$ 1,021,375

Depreciation and amortization expense were charged to governmental functions as follows:

Instruction	$ 35,565
Technology	29,724
Operations & Maint	26,981
School administration	14,546
	$ 106,816

NOTE 4—SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS LIABILITY

The School has entered into various subscription-based information technology arrangements (SBITA). As of June 30, 2024, the School has recognized a SBITA liability of $0 related to such agreements.

The total of the School's subscription assets is recorded at a cost of $140,848 less accumulated amortization of $100,632 as of June 30, 2024. Terms of these SBITA agreements provide for annual payments for the use of the agreed upon software as follows:

Description	Annual Installment	Initial Agreement Period	Option Renewal Period	Discount Rate
Virtual classroom connection	$ 30,000	3/29/22-3/28/25	N/A	4.75%
Customer relations management software	$ 46,647	5/1/22-4/30/25	N/A	8.00%

NOTE 5—OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The New Hampshire Retirement System (NHRS) administers a cost-sharing multiple-employer other postemployment benefit plan (OPEB Plan). The OPEB Plan provides a medical insurance subsidy to qualified retired members.

The NHRS issues a publicly available financial report that includes financial statements and required supplementary information for NHRS. That report may be obtained by writing to New Hampshire Retirement System at 54 Regional Drive, Concord, New Hampshire 03301 or from their website at www.nhrs.org.

The OPEB Plan is divided into four membership types. The four membership types are Group II Police Officer and Firefighters, Group I Teachers, Group I Political Subdivision Employees, and Group I State Employees. The OPEB plan is closed to new entrants.

Benefits Provided

Benefit amounts and eligibility requirements for the OPEB Plan are set by state law (RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b), and members are designated in statute by type. The medical insurance subsidy is a payment made by NHRS to the former employer or its insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certified dependent children with a disability who are living in the household and being cared for by the retiree. If the health insurance premium amount is less than the medical subsidy amount, then only the health insurance premium amount will be paid. If the health insurance premium amount exceeds the medical subsidy amount, then the retiree or other qualified person is responsible for paying any portion that the employer does not pay.

Group I benefits are based on creditable service, age and retirement date. Group II benefits are based on hire date, age and creditable service. Medical subsidy rates established by RSA 100-A:52 II are dependent upon whether retirees are eligible for Medicare. Retirees not eligible for Medicare may receive a maximum medical subsidy of $375.56 for a single person plan and $751.12 for a two-person plan. Retirees eligible for Medicare may receive a maximum medical subsidy of $236.84 for a single person plan and $473.68 for a two-person plan.

Funding Policy

Per RSA 100-A:16, contribution rates are established and may be amended by the New Hampshire State legislature and are determined by the NHRS Board of Trustees based on an actuarial valuation. The School's contribution rates for the covered payroll of teachers was 1.13%, for the year ended June 30, 2024. Contributions to the OPEB plan for the School were $46,572 for the year ended June 30, 2024. Employees are not required to contribute to the OPEB plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2024, the School reported a liability of $493,618 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to

calculate the net OPEB liability was determined by a roll forward of the actuarial valuation from June 30, 2022. The School's proportion of the net OPEB liability was based on actual contributions by the School during the relevant fiscal year relative to the actual contributions of all participating plan members, excluding contributions to separately finance specific liabilities of individual employers or NHRS. At June 30, 2023, the School's proportion was approximately 0.1445 percent, which was approximately the same proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the School recognized OPEB expense of $11,641. At June 30, 2024, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	$ 593	
School contributions subsequent to the measurement date	46,572	
Totals	$ 47,165	$ -

The net amount of deferred outflows of resources and deferred inflows of resources related to OEPB is reflected as an increase to unrestricted net position in the amount of $47,165. The School reported $46,572 as deferred outflows of resources related to OPEB resulting from School contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net OPEB liability in the measurement period ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense for the measurement periods as follows:

June 30,	
2024	$ (98)
2025	(750)
2026	1,604
2027	(163)
	$ 593

Actuarial Assumptions

The total OPEB liability was determined by a roll forward of the actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.00%
Wage inflation	2.75% (2.25% for Teachers)
Salary increases	5.40%, average, including inflation
Investment rate of return	6.75% per year, net of OPEB plan investment expense, including inflation for determining solvency contributions

Mortality rates were based on the Pub-2010 Healthy Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2015 – June 30, 2019.

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
Public Equity	50%	5.40-5.65%
Private Market Equity	20%	4.00-6.65%
Private Debt	5%	5.05%
Fixed Income	25%	2.15%
Total	100%	

The discount rate used to measure the collective total OPEB liability as of June 30, 2023 was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made under the current statute RSA 100-A:16 and RSA 100-A:53. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the collective total OPEB liability.

Sensitivity of the School's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the School's proportionate share of the net OPEB liability calculated using the discount rate of 6.75 percent, as well as what the School's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the single discount rate:

	1% Decrease	Current	1% Increase
Net OPEB liability	$ 536,118	$ 493,618	$ 456,538

NOTE 6—DEFINED BENEFIT PENSION PLAN

Plan Description

The School contributes to the New Hampshire Retirement System (NHRS), a public employee retirement system that administers a single cost-sharing multiple-employer defined benefit pension plan. The plan

provides service, disability, death and vested retirement allowances to plan members and beneficiaries. Benefit provisions are established and may be amended by the New Hampshire State legislature.

The NHRS issues a publicly available financial report that includes financial statements and required supplementary information for NHRS. That report may be obtained by writing to New Hampshire Retirement System, 54 Regional Drive, Concord, New Hampshire 03301 or from their website at www.nhrs.org.

Substantially all full-time state and local employees, public school teachers, permanent firefighters and permanent police officers within the State are eligible and required to participate in the Pension Plan.

The Pension Plan is divided into two membership groups. State and local employees and teachers belong to Group I. Police and firefighters belong to Group II.

Benefits Provided

Benefit formulas and eligibility requirements for the pension plan are set by State law (RSA 100-A).

Group I benefits are provided based on creditable service and average final salary for the highest of either three or five years, depending on when service commenced.

Group II benefits are provided based on age, years of creditable service and a benefit multiplier depending on vesting status as of January 1, 2012. The maximum retirement allowance for Group II members vested by January 1, 2012 (45 years of age with 20 years of service or age 60 regardless of years of creditable service) is the average final compensation multiplied by 2.5% multiplied by creditable service. For Group II members not vested by January 1, 2012 the benefit is calculated the same way, but the multiplier used in the calculation will change depending on age and years of creditable service as follows:

Years of Creditable Service as of January 1, 2012	Minimum Age	Minimum Service	Benefit Multiplier
At least 8 but less than 10 years	46	21	2.4%
At least 6 but less than 8 years	47	22	2.3%
At least 4 but less than 6 years	48	23	2.2%
Less than 4 years	49	24	2.1%

Funding Policy

Plan members are required to contribute 7.0% of their covered salary and the School is required to contribute at an actuarially determined rate. The School's contribution rates for the covered payroll of teachers was 18.51% for the year ended June 30, 2024. The School contributes 100% of the employer cost for teachers of the School.

Per RSA 100-A:16, plan member contribution rates are established and may be amended by the New Hampshire State legislature and employer contribution rates are determined by the NHRS Board of Trustees based on an actuarial valuation. The School’s contributions to the NHRS for the year ending June 30, 2024 were $762,885.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the School reported a liability of $7,444,923 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by a roll forward of the actuarial valuation from June 30, 2022. The School's proportion of the net pension liability was based on actual contributions by the School during the relevant fiscal year relative to the actual contributions of all participating plan members, excluding contributions to separately finance specific liabilities of individual employers or NHRS. At June 30, 2023, the School's proportion was approximately 0.1330 percent, which was an increase of approximately 0.0001 percentage points from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the School recognized pension expense of $1,451,361. At June 30, 2024, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 190,234	$ 2,992
Changes of assumptions	195,947	
Net difference between projected and actual earnings on pension plan investments	107,666	
Changes in proportion and differences between School contributions and proportionate share of contributions	692,573	117,651
School contributions subsequent to the measurement date	762,885	
Totals	$ 1,949,305	$ 120,643

The net amount of deferred outflows of resources and deferred inflows of resources related to pensions is reflected as an increase to unrestricted net position in the amount of $1,828,662. The School reported $762,885 as deferred outflows of resources related to pensions resulting from School contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the measurement period ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in the measurement periods as follows:

June 30,	
2024	$ 640,102
2025	80,007
2026	358,448
2027	(12,780)
	$ 1,065,777

Actuarial Assumptions

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

Inflation	2.00%
Wage inflation	2.75% (2.25% for Teachers)
Salary increases	5.40%, average, including inflation
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Mortality rates were based on the Pub-2010 Healthy Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2015 – June 30, 2019.

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
Public Equity	50%	5.40-5.65%
Private Market Equity	20%	4.00-6.65%
Private Debt	5%	5.05%
Fixed Income	25%	2.15%
Total	100%	

Discount Rate

The discount rate used to measure the collective pension liability as of June 30, 2023 was 6.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer contributions are projected based on the expected payroll of current members only. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the collective pension liability.

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

The following presents the School's proportionate share of the net pension liability calculated using the discount rate of 6.75 percent, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the single discount rate:

	1% Decrease	Current	1% Increase
Net pension liability	$ 10,101,860	$ 7,444,923	$ 5,174,734

NOTE 7—DEFINED CONTRIBUTION PLAN

The School contributes to the Virtual Learning Academy Charter School 457 Retirement Plan. The plan is considered to be a defined contribution plan and was established under Internal Revenue Code (IRC) sections 501(c) and 457(b). The plan allows employees to defer income taxation on retirement savings into future years and is administered by Virtual Learning Academy Charter School. All non-certified staff of the School are eligible to make contributions to the plan. The plan has no required minimum contribution for employees. Under the terms of the plan, the School contributes 3% of all wages for non-certified staff working 40 hours per week. Employees are eligible to participate in the plan upon hire and are fully vested upon enrollment. Contribution rates are established by the Board of Trustees and may be amended at the discretion of the Board. Contributions to the 457 Plan made by the plan members and the School for the year ended June 30, 2024 were $420,758 and $41,846 respectively.

NOTE 8—INTERFUND BALANCES AND TRANSFERS

The School maintains self-balancing funds; however, most cash transactions flow through the General Fund. In order to obtain accountability, the balance of these transactions in each fund is reflected as an interfund receivable or payable. Interfund balances at June 30, 2024 are as follows:

		General Fund	Due from Nonmajor Governmental Funds	Totals
Due to	General Fund		$ 38,000	$ 38,000
	Nonmajor Governmental Funds	$ 124,149		124,149
		$ 124,149	$ 38,000	$ 162,149

During the year the General Fund transferred $30,100 to the McGarr Fund, a Nonmajor Governmental Fund, to distribute the interest earned on the School's bank accounts.

NOTE 9—RISK MANAGEMENT

The School is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For the fiscal year ended June 30, 2024, the School purchased commercial insurance to manage risks related to property and liability and worker's compensation claims.

NOTE 10—SIGNIFICANT CONCENTRATION OF REVENUE RISK

As a public charter school, the School annually receives adequacy aid funding from the State of New Hampshire Department of Education on a per pupil basis of average daily membership attendance at a rate determined by the State. Total adequacy aid funding received for the year ended June 30, 2024 was $12,555,692, which is approximately 96% and 98% of total Governmental Activities and General Fund revenues, respectively.

NOTE 11—CONTINGENT LIABILITIES

Federal Grants

The School participates in federally assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amounts, if any, of expenditures which may be disallowed by the granting agency cannot be determined at this time, although the School expects such amounts, if any, to be immaterial.

Litigation

There may be various claims and suits pending against the School, which arise in the normal course of the School's activities. In the opinion of School management, any potential claims against the School, which are not covered by insurance are immaterial and would not affect the financial position of the School.

SCHEDULE 1

VIRTUAL LEARNING ACADEMY CHARTER SCHOOL

Schedule of Changes in the School's Proportionate Share of the Net OPEB Liability

For the Year Ended June 30, 2024

Measurement Period Ended	School's Proportion of the Net OPEB Liability	School's Proportionate Share of the Net OPEB Liability	School's Covered Payroll	School's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
June 30, 2023	0.14445099%	$ 493,618	$ 4,105,287	12.02%	12.80%
June 30, 2022	0.14451300%	$ 546,097	$ 3,951,487	13.82%	10.64%
June 30, 2021	0.14809245%	$ 593,046	$ 3,931,840	15.08%	11.06%
June 30, 2020	0.11785285%	$ 515,853	$ 3,022,354	17.07%	7.74%
June 30, 2019	0.09570087%	$ 419,563	$ 2,630,990	15.95%	7.75%
June 30, 2018	0.08000140%	$ 366,283	$ 2,131,767	17.18%	7.53%
June 30, 2017	0.10571607%	$ 483,370	$ 2,123,992	22.76%	7.91%
June 30, 2016	0.09814803%	$ 475,140	$ 1,918,685	24.76%	5.21%
June 30, 2015	*	*	*	*	*
June 30, 2014	*	*	*	*	*

* 10 Year schedule, historical information not available

Significant Actuarial Assumptions

Measurement Periods	Inflation	Salary Increases	Investment Rate of Return	Mortality Table	Mortality Scale
June 30, 2022 - 2023	2.00%	5.40%	6.75%	Pub-2010	MP-2019
June 30, 2020 - 2021	2.00%	5.60%	6.75%	Pub-2010	MP-2019
June 30, 2016 - 2019	2.50%	5.60%	7.25%	RP-2014	MP-2015

See accompanying notes to the required supplementary information

SCHEDULE 2
VIRTUAL LEARNING ACADEMY CHARTER SCHOOL
Schedule of School OPEB Contributions
For the Year Ended June 30, 2024

Year Ended	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	School's Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2024	$ 46,572	$ (46,572)	$ -	$ 4,121,476	1.13%
June 30, 2023	$ 63,221	$ (63,221)	$ -	$ 4,105,287	1.54%
June 30, 2022	$ 60,853	$ (60,853)	$ -	$ 3,951,487	1.54%
June 30, 2021	$ 71,166	$ (71,166)	$ -	$ 3,931,840	1.81%
June 30, 2020	$ 54,704	$ (54,704)	$ -	$ 3,022,354	1.81%
June 30, 2019	$ 43,674	$ (43,674)	$ -	$ 2,630,990	1.66%
June 30, 2018	$ 35,387	$ (35,387)	$ -	$ 2,131,767	1.66%
June 30, 2017	$ 62,658	$ (62,658)	$ -	$ 2,123,992	2.95%
June 30, 2016	$ 57,030	$ (57,030)	$ -	$ 1,918,685	2.97%
June 30, 2015	*	*	*	*	*

* 10 Year schedule, historical information not available

See accompanying notes to the required supplementary information

SCHEDULE 3

VIRTUAL LEARNING ACADEMY CHARTER SCHOOL

Schedule of Changes in the School's Proportionate Share of the Net Pension Liability

For the Year Ended June 30, 2024

Measurement Period Ended	School's Proportion of the Net Pension Liability	School's Proportionate Share of the Net Pension Liability	School's Covered Payroll	School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2023	0.13298591%	$ 7,444,923	$ 4,105,287	181.35%	67.18%
June 30, 2022	0.13294127%	$ 7,625,686	$ 3,951,487	192.98%	65.12%
June 30, 2021	0.13684479%	$ 6,064,851	$ 3,931,840	154.25%	72.22%
June 30, 2020	0.10878620%	$ 6,958,130	$ 3,022,354	230.22%	58.72%
June 30, 2019	0.09491784%	$ 4,567,119	$ 2,630,990	173.59%	65.59%
June 30, 2018	0.07918630%	$ 3,812,981	$ 2,131,767	178.86%	64.73%
June 30, 2017	0.07374830%	$ 3,626,936	$ 2,123,992	170.76%	62.66%
June 30, 2016	0.06867394%	$ 3,651,802	$ 1,918,685	190.33%	58.30%
June 30, 2015	0.06553817%	$ 2,596,312	$ 1,838,402	141.23%	65.47%
June 30, 2014	0.04779159%	$ 1,793,898	$ 1,296,379	138.38%	66.32%

Significant Actuarial Assumptions

Measurement Periods	Inflation	Salary Increases	Investment Rate of Return	Mortality Table	Mortality Scale
June 30, 2022 - 2023	2.00%	5.40%	6.75%	Pub-2010	MP-2019
June 30, 2020 - 2021	2.00%	5.60%	6.75%	Pub-2010	MP-2019
June 30, 2016 - 2019	2.50%	5.60%	7.25%	RP-2014	MP-2015
June 30, 2013 - 2015	3.00%	3.75-5.80%	7.75%	RP-2000	Scale AA

See accompanying notes to the required supplementary information

SCHEDULE 4

VIRTUAL LEARNING ACADEMY CHARTER SCHOOL

Schedule of School Pension Contributions

For the Year Ended June 30, 2024

Year Ended	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	School's Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2024	$ 762,885	$ (762,885)	$ -	$ 4,121,476	18.51%
June 30, 2023	$ 799,710	$ (799,710)	$ -	$ 4,105,287	18.68%
June 30, 2022	$ 769,750	$ (769,750)	$ -	$ 3,951,487	18.62%
June 30, 2021	$ 628,701	$ (628,701)	$ -	$ 3,931,840	15.23%
June 30, 2020	$ 483,274	$ (483,274)	$ -	$ 3,022,354	15.23%
June 30, 2019	$ 413,065	$ (413,065)	$ -	$ 2,630,990	15.03%
June 30, 2018	$ 334,687	$ (334,687)	$ -	$ 2,131,767	15.01%
June 30, 2017	$ 270,172	$ (270,172)	$ -	$ 2,123,992	12.44%
June 30, 2016	$ 245,907	$ (245,907)	$ -	$ 1,918,685	12.44%
June 30, 2015	$ 219,873	$ (219,873)	$ -	$ 1,838,402	11.74%

See accompanying notes to the required supplementary information