

TOWN OF BARRE, VERMONT

AUDIT REPORT

JUNE 30, 2019

TOWN OF BARRE, VERMONT
AUDIT REPORT
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Independent Auditor's Report

Board of Selectmen
Town of Barre
Websterville, Vermont 05678

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Barre, Vermont as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Barre, Vermont's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Town of Barre, Vermont's preparation and fair presentation of the financial statements 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 Town of Barre, Vermont's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
General Fund	Qualified
Community Development Fund	Unmodified
Construction Fund	Unmodified
Water Fund	Unmodified
Sewer Fund	Unmodified
Ambulance Fund	Unmodified
Aggregate Remaining Funds	Qualified

Basis for Qualified Opinions on the General Fund and the Aggregate Remaining Funds

The Town’s use and presentation of Internal Service Funds is not in accordance with accounting principles generally accepted in the United States of America. In accordance with such principles, Internal Service Funds are used to report any activity that provides goods or services to other funds or departments on a cost-reimbursement basis. The Town has two Internal Service funds: the Building Maintenance Fund and the Equipment Fund.

The Building Maintenance Fund does not provide any goods or services and is accumulating a significant fund balance. If this Fund is designed to pay for replacement of buildings, then a capital project fund type is more appropriate. Because the activity is not included in the Non-Major Governmental Funds activity, then the Aggregate Remaining Fund information is not complete. The amount by which this departure would affect assets, liabilities, fund balance, revenues and expenditures of this information has not been determined.

The Equipment Fund has a significant deficit in unrestricted net position indicating that its charges to other funds may be insufficient. The General Fund, particularly Highway activities, account for most of the activity of the Equipment Fund. Charges to the General Fund far exceeded actual Equipment Fund expenses this year, however, the fund still shows a large unrestricted deficit. Because the Equipment Fund is not matching its charges with actual expenses, under accounting principles generally accepted in the United States of America, its activity should be shown in the funds which benefit, such as the General Fund. Because the financial statements do not present it this way, the activity in the General Fund is not complete. The amount by which this departure would affect assets, liabilities, fund balance, revenues and expenditures of the General Fund has not been determined.

Qualified Opinions

In our opinion, except for the effects of the matters described in the “Basis for Qualified Opinions on the General Fund and the Aggregate Remaining Funds” paragraphs, the financial statements referred to previously present fairly, in all material respects, the financial position of the General Fund and the Aggregate Remaining Fund information of the Town of Barre, Vermont as of June 30, 2019, 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.

Unmodified Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, other than the General Fund, of the Town of Barre, Vermont as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Correction of Errors

As described in Note 2 to the financial statements, certain errors were corrected by management during the current year. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted Management’s Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the Schedule of Proportionate Share of the Net Pension Liability on Schedule 1 and the Schedule of Contributions on Schedule 2 and the budgetary comparison statement for the General Fund on Schedule 3 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.

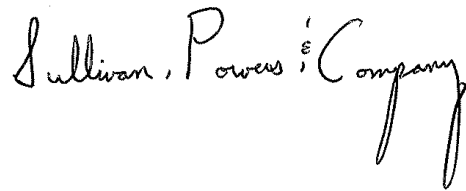
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Barre, Vermont's basic financial statements. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by "Government Auditing Standards"

In accordance with "Government Auditing Standards", we have also issued our report dated January 18, 2021 on our consideration of the Town of Barre, Vermont's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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 Town of Barre, Vermont's internal control over financial reporting and compliance.

January 18, 2021
Montpelier, Vermont
Vt Lic. #92-000180

A handwritten signature in cursive script that reads "Sullivan, Powers & Company". The signature is written in black ink and is positioned to the right of the typed text.

TOWN OF BARRE, VERMONT
STATEMENT OF NET POSITION
JUNE 30, 2019

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 1,237,406	\$ 142,119	\$ 1,379,525
Investments	3,705,774	257,336	3,963,110
Receivables (Net of Allowance for Uncollectibles)	786,414	699,543	1,485,957
Loans Receivable	43,009	0	43,009
Internal Balances	(443,719)	443,719	0
Prepaid Expenses	37,415	16,314	53,729
Land Held for Sale	395,119	0	395,119
Capital Assets:			
Land	2,574,911	2,700	2,577,611
Construction in Progress	436,957	0	436,957
Other Capital Assets, (Net of Accumulated Depreciation)	11,134,981	5,370,722	16,505,703
Total Assets	<u>19,908,267</u>	<u>6,932,453</u>	<u>26,840,720</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows of Resources Related to the Town's Participation in VMERS	<u>371,273</u>	<u>238,260</u>	<u>609,533</u>
Total Deferred Outflows of Resources	<u>371,273</u>	<u>238,260</u>	<u>609,533</u>
<u>LIABILITIES</u>			
Accounts Payable	354,096	573,471	927,567
Accrued Payroll and Benefits Payable	53,143	31,301	84,444
Accrued Interest Payable	7,257	8,095	15,352
Noncurrent Liabilities:			
Due within One Year	269,448	115,065	384,513
Due in More than One Year	1,273,739	2,325,408	3,599,147
Total Liabilities	<u>1,957,683</u>	<u>3,053,340</u>	<u>5,011,023</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Prepaid Property Taxes	4,729	0	4,729
Deferred Inflows of Resources Related to the Town's Participation in VMERS	<u>57,028</u>	<u>54,519</u>	<u>111,547</u>
Total Deferred Inflows of Resources	<u>61,757</u>	<u>54,519</u>	<u>116,276</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	13,605,302	3,499,070	17,104,372
Restricted:			
Non-Expendable:			
Cemetery Trust	224,801	0	224,801
Expendable:			
Community Development	408,786	0	408,786
Bike Path	344,807	0	344,807
Cemetery	70,105	0	70,105
Sewer Improvements	0	729,769	729,769
Unrestricted/(Deficit)	<u>3,606,299</u>	<u>(165,985)</u>	<u>3,440,314</u>
Total Net Position	<u>\$ 18,260,100</u>	<u>\$ 4,062,854</u>	<u>\$ 22,322,954</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF BARRE, VERMONT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	Program Revenues				Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs:							
Primary Government:							
Governmental Activities:							
General Government	\$ 1,579,594	\$ 86,809	\$ 34,608	\$ 0	\$ (1,458,177)	\$ 0	\$ (1,458,177)
Public Safety	1,319,683	53,456	10,733	0	(1,255,494)	0	(1,255,494)
Highways and Streets	2,828,072	18,306	458,597	202,292	(2,148,877)	0	(2,148,877)
Culture and Recreation	420,771	8,689	12,261	0	(399,821)	0	(399,821)
Community Development	66,454	0	0	0	(66,454)	0	(66,454)
Health and Welfare	60,653	0	0	0	(60,653)	0	(60,653)
Cemetery	60,575	33,789	0	0	(26,786)	0	(26,786)
Interest on Long-term Debt	17,332	0	0	0	(17,332)	0	(17,332)
Total Governmental Activities	6,353,134	201,049	516,199	202,292	(5,433,594)	0	(5,433,594)
Business-type Activities:							
Water	502,907	442,211	0	0	0	(60,696)	(60,696)
Sewer	993,229	1,082,508	0	0	0	89,279	89,279
Ambulance	2,376,079	2,098,726	0	0	0	(277,353)	(277,353)
Total Business-type Activities	3,872,215	3,623,445	0	0	0	(248,770)	(248,770)
Total Primary Government	\$ 10,225,349	\$ 3,824,494	\$ 516,199	\$ 202,292	(5,433,594)	(248,770)	(5,682,364)
General Revenues:							
Property Taxes					5,880,944	0	5,880,944
Penalties and Interest on Delinquent Taxes					70,188	0	70,188
General State Grants					97,587	0	97,587
Unrestricted Investment Earnings					36,292	9,962	46,254
Gain on Sale of Assets					125,297	0	125,297
Other Revenues					31,369	0	31,369
Transfer from Websterville Fire District					0	148,475	148,475
Transfers In/(Out):					(459,765)	459,765	0
Total General Revenues and Transfers					5,781,912	618,202	6,400,114
Change in Net Position					348,318	369,432	717,750
Net Position - July 1, 2018, As Restated					17,911,782	3,693,422	21,605,204
Net Position - June 30, 2019					\$ 18,260,100	\$ 4,062,854	\$ 22,322,954

The accompanying notes are an integral part of this financial statement.

TOWN OF BARRE, VERMONT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

	General Fund	Community Development Fund	Construction Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 378,117	\$ 363,347	\$ 0	\$ 495,942	\$ 1,237,406
Investments	2,979,577	0	490,243	235,954	3,705,774
Receivables (Net of Allowance for Uncollectibles)	611,832	0	174,582	0	786,414
Loans Receivable (Net of Allowance for Uncollectibles)	20,000	23,009	0	0	43,009
Due from Other Funds	152,206	0	0	154,721	306,927
Advance to Other Fund	132,692	0	0	0	132,692
Prepaid Expenses	36,385	0	0	0	36,385
Land Held for Sale	0	395,119	0	0	395,119
Total Assets	\$ 4,310,809	\$ 781,475	\$ 664,825	\$ 886,617	\$ 6,643,726
LIABILITIES					
Accounts Payable	\$ 307,756	\$ 0	\$ (129)	\$ 1,905	\$ 309,532
Accrued Payroll and Benefits Payable	45,166	0	0	2,011	47,177
Due to Other Funds	0	372,689	320,147	0	692,836
Total Liabilities	352,922	372,689	320,018	3,916	1,049,545
DEFERRED INFLOWS OF RESOURCES					
Prepaid Property Taxes	4,729	0	0	0	4,729
Unavailable Property Taxes, Penalties and Interest	524,500	0	0	0	524,500
Unavailable Grants Receivable	0	0	174,582	0	174,582
Unavailable Loans Receivable	20,000	23,009	0	0	43,009
Total Deferred Inflows of Resources	549,229	23,009	174,582	0	746,820
FUND BALANCES					
Nonspendable	803,143	395,119	0	224,081	1,422,343
Restricted	0	0	344,807	70,105	414,912
Committed	0	0	0	46,178	46,178
Assigned	182,816	0	0	542,337	725,153
Unassigned/(Deficit)	2,422,699	(9,342)	(174,582)	0	2,238,775
Total Fund Balances	3,408,658	385,777	170,225	882,701	4,847,361
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,310,809	\$ 781,475	\$ 664,825	\$ 886,617	
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:					
Capital Assets Used in Governmental Activities are not Financial Resources and, Therefore, are not Reported in the Funds.					11,019,589
Other Assets are not Available to Pay for Current-Period Expenditures, and, Therefore, are Deferred in the Funds.					742,091
Internal Service Funds are used by Management to Charge the Costs of Certain Activities, such as Equipment and Building Use Charges to Individual Funds. The Assets and Liabilities of the Internal Service Funds are Included in Governmental Activities in the Statement of Net Position.					2,426,343
Long-term and Accrued Liabilities, Including Bonds Payable and the Net Pension Liability, are not Due or Payable in the Current Period and, Therefore, are not Reported in the Funds.					(1,048,616)
Deferred Outflows and Inflows of Resources relating to the Town's Participation in VMERS are applicable to Future Periods and, and, Therefore, are not Reported in the Funds.					273,332
Net Position of Governmental Activities					\$ 18,260,100

The accompanying notes are an integral part of this financial statement.

TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	General Fund	Community Development Fund	Construction Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues:					
Property Taxes	\$ 5,991,329	\$ 0	\$ 0	\$ 0	\$ 5,991,329
Penalties and Interest on Delinquent Taxes	70,188	0	0	0	70,188
Intergovernmental	578,560	0	27,710	0	606,270
Charges for Services	162,306	0	0	63,764	226,070
Licenses and Permits	18,179	0	0	0	18,179
Loan Repayments	10,000	964	0	0	10,964
Loan Interest Income	0	4,234	0	0	4,234
Investment Income	8,369	2,665	735	19,325	31,094
Donations	0	0	0	990	990
Gain on Sale of Land	0	59,940	0	0	59,940
Other	23,369	0	0	0	23,369
Total Revenues	6,862,300	67,803	28,445	84,079	7,042,627
Expenditures:					
General Government	1,400,744	0	0	0	1,400,744
Public Safety	1,180,798	0	0	0	1,180,798
Highways and Streets	2,258,318	0	45	0	2,258,363
Culture and Recreation	391,003	0	0	0	391,003
Community Development	66,118	336	0	0	66,454
Sanitation	60,653	0	0	0	60,653
Cemetery	0	0	0	60,575	60,575
Capital Outlay:					
Public Safety	62,169	0	0	0	62,169
Highways and Streets	715,593	0	229,857	0	945,450
Culture and Recreation	88,625	0	0	0	88,625
Debt Service:					
Principal	69,285	0	0	0	69,285
Interest	5,774	0	0	0	5,774
Total Expenditures	6,299,080	336	229,902	60,575	6,589,893
Excess/(Deficiency) of Revenues Over Expenditures	563,220	67,467	(201,457)	23,504	452,734
Other Financing Sources/(Uses):					
Transfers In	0	0	40,965	41,351	82,316
Transfers Out	(528,480)	0	0	(13,601)	(542,081)
Total Other Financing Sources/(Uses)	(528,480)	0	40,965	27,750	(459,765)
Net Change in Fund Balances	34,740	67,467	(160,492)	51,254	(7,031)
Fund Balances - July 1, 2018	3,373,918	318,310	330,717	831,447	4,854,392
Fund Balances - June 30, 2019	\$ 3,408,658	\$ 385,777	\$ 170,225	\$ 882,701	\$ 4,847,361

The accompanying notes are an integral part of this financial statement.

TOWN OF BARRE, VERMONT
 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, 2019

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Net change in fund balances - total governmental funds (Exhibit D)	\$	(7,031)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets (\$1,096,244) is allocated over their estimated useful lives and reported as depreciation expense (\$936,692). This is the amount by which capital outlay exceeded depreciation in the current period.		159,552
The issuance of long-term debt (\$0) (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt (\$69,285) consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		69,285
The issuance of loans receivable (\$0) consumes current financial resources of governmental funds, while the repayment of the principal of loans receivable (\$10,964) provides current financial resources to governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of loans receivable.		(10,964)
Governmental funds report employer pension contributions as expenditures (\$105,010). However, in the statement of activities, the cost of pension benefits earned net of employee contributions (\$210,797) is reported as pension expense. This amount is the net effect of the differences in the treatment of pension expense.		(105,787)
Internal service funds are used by management to charge the costs of certain activities, such as building and equipment usage, to individual funds. The net revenue (expense) and other changes in net position of the internal service funds is reported with the governmental activities.		186,635
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		64,197
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>(7,569)</u>
Change in net position of governmental activities (Exhibit B)	\$	<u><u>348,318</u></u>

The accompanying notes are an integral part of this financial statement.

TOWN OF BARRE, VERMONT
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019

	Enterprise Funds				Internal Service Funds
	Water Fund	Sewer Fund	Ambulance Fund	Total	
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 83,771	\$ 58,348	\$ 0	\$ 142,119	\$ 0
Investments	0	257,336	0	257,336	0
Receivables (Net of Allowance for Uncollectibles)	157,164	194,695	347,684	699,543	0
Due from Other Funds	0	1,162,541	0	1,162,541	221,182
Prepaid Expenses	155	1,659	14,500	16,314	1,030
Total Current Assets	241,090	1,674,579	362,184	2,277,853	222,212
Noncurrent Assets:					
Capital Assets:					
Land	2,700	0	0	2,700	
Buildings and Building Improvements	162,700	170,153	234,328	567,181	1,306,495
Machinery, Equipment and Vehicles	457,521	366,109	300,152	1,123,782	6,381,907
Distribution and Collection Systems	3,389,907	6,547,371	0	9,937,278	0
Capacity Rights	0	279,969	0	279,969	0
Less: Accumulated Depreciation	(1,650,555)	(4,516,543)	(370,390)	(6,537,488)	(4,561,142)
Total Noncurrent Assets	2,362,273	2,847,059	164,090	5,373,422	3,127,260
Total Assets	2,603,363	4,521,638	526,274	7,651,275	3,349,472
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflows of Resources Related to the Town's Participation in VMERS					
	0	0	238,260	238,260	43,564
Total Deferred Outflows of Resources	0	0	238,260	238,260	43,564
LIABILITIES					
Current Liabilities:					
Accounts Payable	23,524	512,430	37,517	573,471	44,564
Accrued Payroll and Benefits Payable	0	2,111	29,190	31,301	5,966
Due to Other Funds	363,747	0	355,075	718,822	278,992
Accrued Interest Payable	5,996	2,099	0	8,095	0
Advance from Other Fund	0	0	0	0	132,692
Notes Payable - Current Portion	41,017	28,248	9,550	78,815	0
General Obligation Bonds Payable - Current Portion	0	36,250	0	36,250	0
Total Current Liabilities	434,284	581,138	431,332	1,446,754	462,214
Noncurrent Liabilities:					
Compensated Absences Payable	0	11,811	54,437	66,248	19,756
Net Pension Liability	0	0	499,873	499,873	82,456
Notes Payable - Noncurrent Portion	1,561,677	88,860	0	1,650,537	224,616
General Obligation Bonds Payable - Noncurrent Portion	0	108,750	0	108,750	175,000
Total Noncurrent Liabilities	1,561,677	209,421	554,310	2,325,408	501,828
Total Liabilities	1,995,961	790,559	985,642	3,772,162	964,042
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows of Resources Related to the Town's Participation in VMERS					
	0	0	54,519	54,519	2,651
Total Deferred Inflows of Resources	0	0	54,519	54,519	2,651
NET POSITION					
Net Investment in Capital Assets	759,579	2,584,951	154,540	3,499,070	2,727,644
Restricted	0	729,769	0	729,769	0
Unrestricted/(Deficit)	(152,177)	416,359	(430,167)	(165,985)	(301,301)
Total Net Position/(Deficit)	\$ 607,402	\$ 3,731,079	\$ (275,627)	\$ 4,062,854	\$ 2,426,343

The accompanying notes are an integral part of this financial statement.

TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Enterprise Funds			Total	Internal Service Funds
	Water Fund	Sewer Fund	Ambulance Fund		
Operating Revenues:					
Charges for Services	\$ 395,693	\$ 1,006,085	\$ 2,097,266	\$ 3,499,044	\$ 1,449,544
Interest and Penalties	22,490	33,673	0	56,163	0
Other	24,028	42,750	1,460	68,238	20,858
Total Operating Revenues	442,211	1,082,508	2,098,726	3,623,445	1,470,402
Operating Expenses:					
Salaries and Benefits	98,154	137,816	1,753,001	1,988,971	245,090
Other Operating Expenses	276,345	719,870	597,765	1,593,980	605,419
Depreciation	98,559	129,984	24,743	253,286	481,825
Total Operating Expenses	473,058	987,670	2,375,509	3,836,237	1,332,334
Operating Income/(Loss)	(30,847)	94,838	(276,783)	(212,792)	138,068
Non-Operating Revenues/(Expenses):					
Investment Income	0	9,962	0	9,962	0
Interest Expense	(29,849)	(5,559)	(570)	(35,978)	(16,790)
Gain on Sale of Equipment	0	0	0	0	65,357
Total Non-Operating Revenues/(Expenses)	(29,849)	4,403	(570)	(26,016)	48,567
Net Income Before Capital Contributions and Transfers	(60,696)	99,241	(277,353)	(238,808)	186,635
Capital Contributions and Transfers:					
Transfer from Websterville Fire District	148,475	0	0	148,475	0
Transfers In	0	7,980	459,765	467,745	0
Transfers Out	(7,980)	0	0	(7,980)	0
Total Capital Contributions and Transfers	140,495	7,980	459,765	608,240	0
Change in Net Position	79,799	107,221	182,412	369,432	186,635
Net Position/(Deficit) - July 1, 2018	527,603	3,623,858	(458,039)	3,693,422	2,239,708
Net Position/(Deficit) - June 30, 2019	<u>\$ 607,402</u>	<u>\$ 3,731,079</u>	<u>\$ (275,627)</u>	<u>\$ 4,062,854</u>	<u>\$ 2,426,343</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF BARRE, VERMONT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Enterprise Funds				Internal Service Funds
	Water Fund	Sewer Fund	Ambulance Fund	Total	
Cash Flows From Operating Activities:					
Receipts from Customers and Users	\$ 472,950	\$ 1,059,609	\$ 1,822,743	\$ 3,355,302	\$ 1,449,544
Other Cash Receipts	24,028	42,750	1,460	68,238	20,858
Payments for Goods and Services	(291,754)	(796,172)	(570,491)	(1,658,417)	(554,047)
Payments for Wages and Benefits	(98,154)	(135,559)	(1,679,128)	(1,912,841)	(231,497)
Net Cash Provided/(Used) by Operating Activities	<u>107,070</u>	<u>170,628</u>	<u>(425,416)</u>	<u>(147,718)</u>	<u>684,858</u>
Cash Flows From Noncapital Financing Activities:					
Transfer of Cash from Websterville Fire District	31,359	0	0	31,359	0
Transfers Received from Other Funds	0	7,980	459,765	467,745	0
Transfers To Other Funds	(7,980)	0	0	(7,980)	0
Decrease/(Increase) in Due from Other Funds	0	(111,309)	0	(111,309)	(9,087)
(Decrease)/Increase in Due to Other Funds	(34,113)	0	(10,804)	(44,917)	(382,299)
(Decrease)/Increase in Advance from Other Fund	0	0	0	0	132,692
Net Cash Provided/(Used) by Noncapital Financing Activities	<u>(10,734)</u>	<u>(103,329)</u>	<u>448,961</u>	<u>334,898</u>	<u>(258,694)</u>
Cash Flows From Capital and Related Financing Activities:					
Proceeds from Sale of Equipment	0	0	0	0	65,357
Acquisition and Construction of Capital Assets	0	0	(14,000)	(14,000)	(253,014)
Proceeds from Long-term Debt	114,475	0	0	114,475	0
Principal Paid on Bonds, Notes and Leases	(99,432)	(63,839)	(8,975)	(172,246)	(221,717)
Interest Paid on Bonds, Notes and Leases	(27,608)	(3,460)	(570)	(31,638)	(16,790)
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>(12,565)</u>	<u>(67,299)</u>	<u>(23,545)</u>	<u>(103,409)</u>	<u>(426,164)</u>
Cash Flows From Investing Activities:					
Purchase of Investments	0	(257,336)	0	(257,336)	0
Receipt of Interest and Dividends	0	9,962	0	9,962	0
Net Cash Provided/(Used) by Investing Activities	<u>0</u>	<u>(247,374)</u>	<u>0</u>	<u>(247,374)</u>	<u>0</u>
Net Increase/(Decrease) in Cash	<u>83,771</u>	<u>(247,374)</u>	<u>0</u>	<u>(163,603)</u>	<u>0</u>
Cash - July 1, 2018	<u>0</u>	<u>305,722</u>	<u>0</u>	<u>305,722</u>	<u>0</u>
Cash - June 30, 2019	<u>\$ 83,771</u>	<u>\$ 58,348</u>	<u>\$ 0</u>	<u>\$ 142,119</u>	<u>\$ 0</u>
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:					
Operating Income/(Loss)	\$ (30,847)	\$ 94,838	\$ (276,783)	\$ (212,792)	\$ 138,068
Depreciation	98,559	129,984	24,743	253,286	481,825
(Increase)/Decrease in Receivables	54,767	19,851	(274,523)	(199,905)	0
(Increase)/Decrease in Prepaid Expenses	644	1,316	(616)	1,344	21,162
(Increase)/Decrease in Deferred Outflows of Resources Related to the Town's Participation in VMERS	0	0	32,943	32,943	4,075
Increase/(Decrease) in Accounts Payable	(16,053)	(77,618)	27,890	(65,781)	30,210
Increase/(Decrease) in Accrued Payroll and Benefits Payable	0	785	2,835	3,620	2,457
Increase/(Decrease) in Compensated Absences Payable	0	1,472	6,578	8,050	3,162
Increase/(Decrease) in Net Pension Liability	0	0	22,142	22,142	2,739
Increase/(Decrease) in Deferred Inflows of Resources Related to the Town's Participation in VMERS	0	0	9,375	9,375	1,160
Net Cash Provided/(Used) by Operating Activities	<u>\$ 107,070</u>	<u>\$ 170,628</u>	<u>\$ (425,416)</u>	<u>\$ (147,718)</u>	<u>\$ 684,858</u>

The Equipment Fund sold assets with a cost and accumulated depreciation of \$441,437.

The accompanying notes are an integral part of this financial statement.

TOWN OF BARRE, VERMONT
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUND
 JUNE 30, 2019

	Agency Fund
<u>ASSETS</u>	
Cash	\$ <u>17,156</u>
Total Assets	<u>17,156</u>
<u>LIABILITIES</u>	
Due to Others	<u>17,156</u>
Total Liabilities	<u>17,156</u>
<u>NET POSITION</u>	
Total Net Position	\$ <u><u>0</u></u>

The accompanying notes are an integral part of this financial statement.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

The Town of Barre, Vermont (the Town), is organized according to Vermont State Law and Town Charter, under the governance of a five member Selectboard to provide the following services for the Town of Barre: public health and safety, highways and streets, culture and recreation, public improvements, sanitation, planning and zoning, water, wastewater treatment and general administration. Included in public health and safety are ambulance services, which are also provided to certain surrounding towns under contract agreements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is primarily responsible for establishing GAAP for state and local governments through its pronouncements (including Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Town are discussed as follows:

Reporting Entity

This report includes all of the activity of the Town of Barre, Vermont. The financial reporting entity consists of the primary government; organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. The primary government is financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government regardless of whether the organization has a separately elected governing board; a governing board appointed by a higher level of government; or a jointly appointed board. Based on these criteria, there are no other entities that should be combined with the financial statements of the Town.

Basic Financial Statements – Government-Wide Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town's Community Development Fund, Reappraisal Fund, Recreation Fund, Construction Fund, Cemetery Trust Fund, Cemetery Fund, and General Fund activities are classified as governmental. The Town's Water Fund, Sewer Fund and Ambulance Fund activities are classified as business-type.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column and are reported on the full accrual, economic resources basis, which recognizes all assets, deferred outflows of resources, liabilities and deferred inflows of resources. The Town's net position is reported in three parts - net investment in capital assets, restricted net position and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities for which both restricted and unrestricted resources are available.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's governmental and business-type activities (water, sewer, etc.). The activities are supported by property taxes, certain intergovernmental revenues, and charges for services. The Statement of Activities reduces gross expenses (including depreciation) by related program revenue, including operating and capital grants. Program revenues must be directly associated with the activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by activity) are normally covered by general revenues (property taxes, intergovernmental revenue, interest income, etc.).

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

Basic Financial Statements – Fund Financial Statements

The financial transactions of the Town are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, deferred inflows and outflows of resources, fund equity, revenues and expenditures/expenses. The various funds are reported by major fund within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental category or enterprise type. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenses/expenditures of either fund category/type or the governmental and enterprise funds combined) for the determination of major funds. The General Fund, Community Development Fund, Construction Fund, Sewer Fund, Water Fund and Ambulance Fund are shown as major funds. All other funds are nonmajor and are combined in a single column in each of the respective fund financial statements.

The Town reports on the following major governmental funds:

General Fund is the main operating fund of the Town. It is used to account for all financial resources except those accounted for in another fund.

Community Development Fund is used to account for community development loans throughout the Town.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Construction Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Funds

The focus of proprietary funds measurement is upon determination of operating income, changes in net position, financial position, and cash flows. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The generally accepted accounting principles applicable are those funds are similar to businesses in the private sector. The following is a description of the major enterprise funds of the Town:

Sewer Fund is used to account for the operations of the sewer department.

Water Fund is used to account for the operations of the water department.

Ambulance Fund is used to account for the operations of the ambulance department.

Fiduciary Funds

Agency funds are used to account for assets held by the Town as an agent for individuals, private organizations, and other governments. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Additionally the Town reports the following:

Internal service funds are used to account for financing of services to other funds. The internal service funds of the Town consist of the Equipment Fund and the Building Maintenance Fund.

Measurement Focus

The accounting and financial reporting applied to a fund is determined by its measurement focus. Government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. This means that all assets, liabilities and deferred inflows and outflows of resources associated with the operation of these funds (whether current or noncurrent) are included on the balance sheet (or statement of net position). Fund equity (i.e. net total position) is segregated into net investment in capital assets, restricted net position, and unrestricted net position. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus. This means that only current assets, current liabilities and deferred inflows and outflows of resources are generally reported on their balance sheets. Their reported fund balances (net current position) are considered a measure of available spendable resources and, are segregated into nonspendable, restricted, committed, assigned and unassigned. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current position. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis of Accounting

The government-wide, proprietary and internal services funds are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Modified Accrual Basis of Accounting

Governmental funds are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town considers all revenues reported in governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, certain compensated absences and other long-term liabilities which are recognized when the obligations are expected to be liquidated or are funded with expendable available financial resources.

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and other grant requirements have been met.

Recognition of revenues on funds received in connection with loan programs are recognized when loans are awarded and expenses incurred in excess of current grants and program income. An offsetting amount in deferred inflows of resources is recognized for all loans receivable. Loan repayment revenue is recognized as the loans are repaid.

Cash and Cash Equivalents

The Town has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents.

Budgetary Accounting

The Town approves a budget for the General Fund at an annual Town Meeting and the Selectboard, based on the budget and Grand List, determines the tax rate. Any budgetary changes require voter approval. There were no changes during the year. Formal budgetary accounting is employed as a management control device during the year for the General Fund. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Capital Assets

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

Buildings and Building Improvements	10 - 50 years
Equipment, Vehicles and Machinery	5 - 20 years
Utility Plant and Capacity Rights	40 - 50 years
Infrastructure	8 - 20 years

GASB No. 34 requires the Town to report and depreciate new general infrastructure assets starting July 1, 2003. The Town has elected not to record infrastructure prior to this date. General infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued Compensated Absences

Government-Wide Financial Statements – All vested or accumulated vacation leave is reported as a liability and an expense on the government-wide financial statements. Sick days are not accrued since they are not paid when the employee terminates employment.

Fund Financial Statements - Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are not reported as a liability in the fund financial statements and no expenditure is reported for these amounts until paid. Unused sick days may be accumulated to use in the following year, but sick days are not accrued since they are not paid when the employee terminates employment.

Net Position

Net position represents the difference between assets, deferred outflows of resources, deferred inflows of resources and liabilities in the statement of net position. Net resources invested in capital assets are reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are legal limitations imposed by its use by Town legislation or external restrictions by creditors, grantors, laws or regulations of other governments.

Fund Balances

The Town classifies its fund balances depicting the relative strength of the constraints that might control how specific amounts can be spent:

Nonspendable fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).

Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use such as impact fees).

Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority, the Town voters, in this case. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

Assigned fund balance comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the Town Selectboard or by an official or body to which the Selectboard delegates the authority.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unassigned fund balance is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the General Fund.

Nonspendable and Restricted funds are so-designated by external funds sources, such as in the case of the nonspendable Cemetery Trust Fund corpus, and also by the definitions of “nonspendable” contained in GASB Statement No. 54. Fund balances that are committed and assigned are so-designated by action of the voters or the Selectboard, respectively. Special revenue funds are by definition, created only to report a revenue source that is restricted or committed. In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, the Town’s policy is to consider the most constrained fund balances to be expended first.

Investments

The Town invests in investments as allowed by State statute.

Investments are stated at fair value, (quoted market price, or the best available estimate).

Interfund Balances

Transactions between funds that are representative of lending/borrowing arrangements that are outstanding at the end of the fiscal year are referred to as “advances to/from other funds”. All other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Pension

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

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statements element, “deferred outflows of resources”, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. These amounts are deferred and recognized as an outflow of resources in the future periods to which the outflows are related.

TOWN OF BARRE, VERMONT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, “deferred inflows of resources”, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the future periods to which the inflows are related or when the amounts become available.

Use of 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 could differ from those estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The Town budgeted a current year’s deficiency in the General Fund of \$57,200 in order to utilize a portion of the previous years’ surplus. This is reflected as a budgeted deficiency of revenues over expenditures on Schedule 3.

As noted on Schedule 3, the expenditure budget was overspent by \$23,364. These excess expenditures were funded by excess revenues.

Effective July 1, 2018, the Town took over the operations of Websterville Fire District #3 which includes about 300 water customers with annual revenue of approximately \$100,000. The Town took over all the District’s assets, including water lines, and debt as follows:

Cash	\$ 31,359
Receivables	46,642
Capital Assets	1,338,705
Accumulated Depreciation	(299,309)
Long-Term Debt	<u>(968,922)</u>
	<u>\$ 148,475</u>

The net position of the governmental activities was restated as follows:

Net Position – June 30, 2018, As Originally Reported	\$16,918,852
Corrective of Errors:	
Understatement of Capital Assets	<u>992,930</u>
Net Position – June 30, 2018, As Restated	<u>\$17,911,782</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – (Continued)

The restatement of the governmental activities was the result of an understatement of capital assets. The effect of this restatement on the governmental activities Statement of Net Position is to increase assets and net position by \$992,930. The effect on the 2018 Statement of Activities has not been determined.

NOTE 3 – CASH AND INVESTMENTS

The Town's cash and investments as of June 30, 2019 are as follows:

Cash:

Cash on Hand	\$ 295
Deposits with Financial Institutions	<u>1,396,386</u>
Total Cash	<u>1,396,681</u>

Investments:

Certificates of Deposit	292,665
Municipal Bonds	352,901
Unit Trusts	52,327
Repurchase Agreements (U.S. Treasury Notes)	<u>3,265,217</u>
Total Investments	<u>3,963,110</u>
Total Cash and Investments	<u>\$5,359,791</u>

The Town has one (1) certificate of deposit with Mascoma Savings Bank with an interest rate of 2.5%. The certificate of deposit matures in the following fiscal year. The Town also has four (4) certificates of deposit with Edward Jones that mature in fiscal years 2020 and 2021 with interest rates from 1.95% to 2.75%.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Town does not have any policy to limit the exposure to interest rate risk. The Town's certificates of deposit and repurchase agreements are exempt from interest rate risk disclosure. The Town's unit trusts operate similarly to mutual funds are also exempt from interest rate risk disclosure.

Information about the sensitivity of the fair values of the Town's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Town's investments by maturity. The municipal bonds are shown at the earlier of their call date or actual maturity.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 3 – CASH AND INVESTMENTS – (Continued)

<u>Investment Type</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>	<u>Over 10 Years</u>	<u>Total</u>
Municipal Bonds	\$ <u>36,772</u>	\$ <u>71,725</u>	\$ <u>244,404</u>	\$ \$ <u>352,901</u>

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below are the actual ratings as of June 30, 2019. The ratings are provided by Standard & Poor's and/or Moody's. The Town does not have any policy to limit the exposure to credit risk. The Town's repurchase agreements are secured by U.S. Treasury Notes and therefore are exempt from credit risk analysis.

<u>Investment Type</u>	<u>S&P AAA</u>	<u>S&P AA-or Higher</u>	<u>Moody's Aa or Higher</u>	<u>S&P A-or Higher</u>	<u>Moody's A3 to A1</u>	<u>Unrated</u>	<u>Total</u>
Municipal Bonds	\$ 31,134	\$ 204,601	\$ 21,151	\$ 74,985	\$ 19,505	\$ 1,525	\$ 352,901
Unit Trusts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>52,327</u>	<u>52,327</u>
	<u>\$ 31,134</u>	<u>\$ 204,601</u>	<u>\$ 21,151</u>	<u>\$ 74,985</u>	<u>\$ 19,505</u>	<u>\$ 53,852</u>	<u>\$ 405,228</u>

Concentration of Credit Risk

Concentration of credit risk is the risk that a large percentage of the Town's investments are held within one security. The Town does not have any limitations on the amount that can be invested in any one issuer. The Town's certificates of deposit and repurchase agreements are exempt from concentration of credit risk analysis. The unit trusts operate like mutual funds and, therefore, are also excluded from concentration of credit risk analysis. The Town does not have any investments in any one issuer that represent more than 5% of total investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government 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. The custodial credit risk for investments is the risk that, in the event of failure of the counter-party (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in possession of another party. The Town's investments in municipal bonds, unit trusts and certificates of deposit are held in its name and are, therefore, not subject to custodial credit risk. The Town's investments in repurchase agreements are secured by U.S. Treasury securities held in its name by the Town's bank.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 3 – CASH AND INVESTMENTS – (Continued)

The Town does not have any policy to limit the exposure to custodial credit risk. The table below shows the custodial credit risk of the Town's deposits.

	Book Balance	Bank Balance
Insured by FDIC/SIPC	\$ 1,127,043	\$ 1,150,643
Insured by Standby Letters of Credit	553,514	553,514
Uninsured, Collateralized by U.S. Government Securities Held by Bank's Trust Department with a Security Interest Granted to the Town	8,494	8,494
Total Deposits	\$ 1,689,051	\$ 1,712,651

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

Fair Value Measurements

The Town's investments are stated at fair value using quoted market prices when available. The repurchase agreement is an interest-earning investment contract and therefore stated at cost, not fair value.

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets as follows:

Level 1: Inputs are quoted prices for identical investments in active markets

Level 2: Observable inputs other than quoted market prices

Level 3: Unobservable inputs

The fair value measurement at June 30, 2019 for the Town's investments is as follows:

	Fair Value	Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Debt Securities:				
Municipal Bonds	\$ 352,901	\$ 352,901	\$ 0	\$ 0
Fixed Income Unit Trusts	52,327	52,327	0	0
Total Investments by Fair Value Level	\$ 405,228	\$ 405,228	\$ 0	\$ 0

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 4 - RECEIVABLES

Receivables and the allowance for uncollectible accounts as of June 30, 2019 are as follows:

	Receivables	Allowance for Uncollectible Accounts	Net Receivables
General Fund:			
Delinquent taxes receivable	\$ 476,222	\$ (25,000)	\$ 451,222
Penalties, interest and collection fees on delinquent taxes	106,379	(8,000)	98,379
Miscellaneous receivables	76,231	(14,000)	62,231
	\$ 658,832	\$ (47,000)	\$ 611,832
	Receivables	Allowance for Uncollectible Accounts	Net Receivables
Construction Fund:			
Grants Receivable	\$ 174,582	\$ 0	\$ 174,582
	Receivables	Allowance for Uncollectible Accounts	Net Receivables
Enterprise Funds			
Water Fund			
Accounts receivable	\$ 148,617	\$ 0	\$ 148,617
Penalties and interest receivable	8,547	0	8,547
Sewer Fund			
Accounts receivable	143,049	0	143,049
Penalties and interest receivable	51,646	0	51,646
Ambulance Fund			
Accounts receivable	711,076	(363,392)	347,684
Net Receivables	\$ 1,062,935	\$ (363,392)	\$ 699,543

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 5 – LOANS RECEIVABLE

Loans receivable consist of the following at June 30, 2019:

General Fund:

Due from Barre Area Development, Inc. annual principal payments of \$10,000, due 12/1/20. Interest at 4.974% to 5.644% with semiannual interest payments.	\$ 20,000
Due within one year	(10,000)
Due after one year	\$ <u>10,000</u>

Community Development Fund:

Vermont Housing Rehabilitation Program and Vermont Community Improvement Grant, Interest at 0 to 6%.	\$ 23,009
Due from SB Electronics, Inc. (SBE), 3% interest only payments until December 31, 2017, then quarterly payments of \$31,291 including interest, due January 1, 2023. No principal payments were made in 2019 and SBE is in default.	702,741
Allowance for Uncollectible Loan - SBE	<u>(702,741)</u>
Total loans receivables at June 30, 2019	23,009
Due within one year	<u>(1,000)</u>
Due after one year	\$ <u>22,009</u>

Governmental Activities:

General Fund Notes Receivable	\$ 20,000
Community Development Fund Notes Receivable	23,009
Allowance for Uncollectible Loan - SBE	<u>0</u>
Net Loans Receivable	\$ <u>43,009</u>

The Vermont Housing Rehabilitation Program and Vermont Community Improvement Grant are loan funds which the Town has contracted with Downstreet Housing and Community Development to administer in exchange for interest earnings on the loans.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 6 - INTERFUND BALANCES AND TRANSFERS

The Town has combined some of the cash resources of its governmental, proprietary and internal service fund types for accounting and reporting purposes and that portion of the pooled cash is reported in the specific fund as an interfund balance. Interfund balances at June 30, 2019 were:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Governmental funds:		
General Fund	\$ 152,206	\$ 0
Community Development Fund	<u>0</u>	<u>372,689</u>
Construction Fund	<u>0</u>	<u>320,147</u>
Other governmental funds:		
Cemetery Fund	50,094	0
Recreation Fund	2,052	0
Reappraisal Fund	60,041	0
Cemetery Trust Fund	<u>42,534</u>	<u>0</u>
Total other governmental funds	<u>154,721</u>	<u>0</u>
	<u>306,927</u>	<u>692,836</u>
Proprietary funds:		
Water Fund	0	363,747
Sewer Fund	1,162,541	0
Ambulance Fund	<u>0</u>	<u>355,075</u>
Total Proprietary funds	<u>1,162,541</u>	<u>718,822</u>
Internal service funds:		
Equipment Fund	0	278,992
Building Maintenance Fund	<u>221,182</u>	<u>0</u>
Total Internal service funds	<u>221,182</u>	<u>278,992</u>
Total	<u>\$ 1,690,650</u>	<u>\$ 1,690,650</u>

In addition, the General Fund advanced \$132,692 to the Equipment Fund to finance the purchase of a loader. The advance will be paid back over five (5) years at 0% interest.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 6 - INTERFUND BALANCES AND TRANSFERS – (Continued)

During the year, interfund transfers occurred between funds. The transfers were made in accordance with budgetary authorizations. The transfers represent the Town's per capita fee for the ambulance service, contribution by the Water Fund for debt service, contribution from the General Fund to a project in the Construction Fund and to eliminate a prior year's deficit and the amount used for operations in the Cemetery Fund. Interfund transfers for the year ended June 30, 2019 are as follows:

		Transfers from				
		General Fund	Cemetery Trust Fund	Cemetery Fund	Water Fund	Totals
Transfers to	Sewer Fund	\$ 0	\$ 0	\$ 0	\$ 7,980	\$ 7,980
	Ambulance Fund	459,765	0	0	0	459,765
	Cemetery Fund	27,750	12,461	0	0	40,211
	Cemetery Trust Fund		0	1,140	0	1,140
	Construction Fund	40,965	0	0	0	40,965
Total		\$ 528,480	\$ 12,461	\$ 1,140	\$ 7,980	\$ 550,061

NOTE 7 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 was as follows:

	Balance June 30, 2018	Additions	Disposals	Balance June 30, 2019
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,574,911	\$ 0	\$ 0	\$ 2,574,911
Construction in Process	323,077	229,857	115,977	436,957
Total Capital Assets, Not Being Depreciated	<u>2,897,988</u>	<u>229,857</u>	<u>115,977</u>	<u>3,011,868</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	2,338,936	0	0	2,338,936
Equipment and Vehicles	8,405,679	334,456	441,437	8,298,698
Infrastructure	14,140,920	900,235	0	15,041,155
Total capital assets being depreciated	<u>24,885,535</u>	<u>1,234,691</u>	<u>441,437</u>	<u>25,678,789</u>
Less accumulated depreciation for:				
Buildings and Building Improvements	(888,511)	(51,206)	0	(939,717)
Equipment and Vehicles	(5,185,381)	(531,258)	441,437	(5,275,202)
Infrastructure	(7,492,838)	(836,051)	0	(8,328,889)
Total accumulated depreciation	<u>(13,566,730)</u>	<u>(1,418,515)</u>	<u>441,437</u>	<u>(14,543,808)</u>
Governmental Activities Capital Assets, Net	<u>\$ 14,216,793</u>	<u>\$ 46,033</u>	<u>\$ 115,977</u>	<u>\$ 14,146,849</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7 – CAPITAL ASSETS – (Continued)

	Beginning June 30, 2018	Additions	Disposals	Ending June 30, 2019
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 0	\$ 2,700	\$ 0	\$ 2,700
Total Capital Assets, Not Being Depreciated	<u>0</u>	<u>2,700</u>	<u>0</u>	<u>2,700</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	404,481	162,700	0	567,181
Utility Systems	9,196,473	740,805	0	9,937,278
Sewer Capacity Rights	279,969	0	0	279,969
Equipment and Vehicles	677,182	446,600	0	1,123,782
Total Capital Assets, Being Depreciated	<u>10,558,105</u>	<u>1,350,105</u>	<u>0</u>	<u>11,908,210</u>
Less accumulated depreciation for:				
Buildings and Building Improvements	(298,120)	(67,362)	0	(365,482)
Utility Systems	(5,370,430)	(215,341)	0	(5,585,771)
Sewer Capacity Rights	(31,186)	(5,348)	0	(36,534)
Equipment and Vehicles	(285,156)	(264,545)	0	(549,701)
Total accumulated depreciation	<u>(5,984,892)</u>	<u>(552,596)</u>	<u>0</u>	<u>(6,537,488)</u>
Business-type Activities Capital Assets - Net	<u>\$ 4,573,213</u>	<u>\$ 800,209</u>	<u>\$ 0</u>	<u>\$ 5,373,422</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 60,945
Public safety	138,885
Highway and streets	1,188,917
Recreation	<u>29,768</u>
Total Governmental Activities depreciation expense	<u>\$ 1,418,515</u>
Business-type activities:	
Water	\$ 98,559
Sewer	129,984
Ambulance	<u>24,743</u>
Total Business-Type Activities depreciation expense	<u>\$ 253,286</u>

The Town has an agreement with the City of Barre for the City to provide sewage treatment to the Town. The Town has agreed to pay for operating costs and capital costs based on the agreement. The capital costs are treated as Capacity Rights and are being amortized over the life of the related projects.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8 – DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources in the Governmental Activities consists of \$72,530 from the difference between the expected and actual experience, \$92,468 from changes in assumptions, \$96,739 from the difference between the projected and actual investment earnings, \$4,526 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$105,010 of required employer pension contributions made subsequent to the measurement date, as further described in Note 14. Total deferred outflows of resources in the Governmental Activities is \$371,273.

Deferred outflows of resources in the Ambulance Fund and Business-type Activities consists of \$44,833 from the difference between the expected and actual experience, \$57,157 from changes in assumptions, \$59,858 from the difference between the projected and actual investment earnings, \$2,797 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$73,615 of required employer pension contributions made subsequent to the measurement date, as further described in Note 14. Total deferred outflows of resources in the Business-type Activities is \$238,260.

Deferred outflows of resources in the Internal Service Funds consists of \$9,389 from the difference between the expected and actual experience, \$11,970 from changes in assumptions, \$12,514 from the difference between the projected and actual investment earnings, \$586 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$9,105 of required employer pension contributions made subsequent to the measurement date, as further described in Note 14. Total deferred outflows of resources in the Internal Service Fund is \$43,564.

NOTE 9 – DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources in the Governmental Activities consists of \$4,729 of prepaid property taxes, \$11,040 from the difference between actual and expected experience and \$45,988 resulting from the differences between the employer contributions and the proportionate share of total contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS), as further described in Note 14. Total deferred inflows of resources in the Governmental Activities is \$61,757

Deferred inflows of resources in the Ambulance Fund and Business-type Activities consists of \$10,565 from the difference between the actual and expected experience and \$43,954 resulting from the difference between the employer contributions and the proportionate share of total contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS), as further described in Note 14. Total deferred inflows of resources in the Business-type Activities is \$54,519

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 9 – DEFERRED INFLOWS OF RESOURCES (Continued)

Deferred inflows of resources in the Internal Service Fund consists of \$513 from the difference between the actual and expected experience \$2,138 resulting from the difference between the employer contributions and the proportionate share of total contributions related to the Town’s participation in the Vermont Municipal Employee’s Retirement System (VMERS), as further described in Note 14. Total deferred inflows of resources in the Internal Service Fund is \$2,651

Deferred inflows of resources in the General Fund consists of \$4,729 of prepaid property taxes and \$524,500 of delinquent property taxes (including penalties and interest on those taxes), and \$20,000 of notes receivables that were not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities. Total deferred inflows of resources in the General Fund are \$549,229

Deferred inflows of resources in the Community Development Fund consists of \$23,009 of loans receivable.

NOTE 10 – LONG-TERM LIABILITIES

The following is a summary of changes of long-term liabilities for the year ended June 30, 2019.

Long-term debt outstanding as of June 30, 2019 were as follows:

Governmental Activities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
General Obligation Municipal Bonds With the Vermont Municipal Bond Bank, 2000 Series 1, Originally \$250,000, Proceeds Used for Business Incubator Building, Due in Annual Installments of \$10,000 on December 1 through 2020, Interest 4.974% to 5.644%	\$ 30,000	\$ 0	\$10,000	\$ 20,000
General Obligation Municipal Bonds – 2003, Series 2, Originally \$775,000, Proceeds Used for Town Garage Building, Interest 3.57% to 4.69%, Due in Decreasing Annual Installments of \$40,000 to \$35,000 Plus Interest, Due December, 2023	215,000	0	40,000	175,000

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 10 – LONG-TERM LIABILITIES (Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Lease Payable to City National Bank of Florida, Interest at 2.87%, Due in Annual Installments of \$62,686. Due February, 2020. Secured by Dump Truck	\$ 120,173	\$ 0	\$ 59,236	\$ 60,937
Lease Payable to U.S. Bancorp, Interest at 3.28%, Due in Annual Installments of \$32,790, Due August, 2021. Secured By Fire Rescue Truck	122,715	0	29,556	93,159
Lease Payable to U.S. Bancorp, Interest at 2.07%, Due in Annual Installments of \$40,947, Due September, 2019. Secured by Ambulance and Stretchers	79,415	0	39,307	40,108
Lease Payable to U.S. Bancorp, Interest at 2.49%, Due in Annual Installments of \$31,170, Due March, 2020. Secured by HME Pumper Fire Truck	60,088	0	29,675	30,413
Lease Payable to Santander Bank, Interest at 2.27%, Due in six Annual Installments of \$24,486 Including Interest, Due and Paid January, 2019, Secured by 2013 Cat Loader	23,943	0	23,943	0
Lease Payable to Santander Bank, Interest at 3.37%, Due in Annual Installments of \$45,335, Due April, 2020. Secured by Fire SCBA Equipment	86,285	0	42,427	43,858
Lease Payable to U.S. Bancorp, Interest At 2.39%, Due in Annual Installments of \$20,698, Due September, 2022, Secured by Vactor Truck	<u>96,465</u>	<u>0</u>	<u>18,393</u>	<u>78,072</u>
Total Governmental Activities Long-Term Debt	<u>\$ 834,084</u>	<u>\$ 0</u>	<u>\$292,537</u>	<u>\$541,547</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 10 – LONG-TERM LIABILITIES (Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities:				
Ambulance Fund:				
Lease Payable to U.S. Bancorp, Interest at 2.07%, Due in Annual Installments of \$9,549, Due September, 2019, Secured by Ambulance and Stretchers.	\$ 18,525	\$ 0	\$ 8,975	\$ 9,550
Sewer Fund:				
State of Vermont Special Environmental Revolving Fund – Wastewater Treatment Facility Capacity Enhancement Loan, Due in Annual Installments of \$36,250, Due September 1, 2022, 0% Interest	181,250	0	36,250	145,000
Lease Payable, to U.S. Bancorp, Interest at 2.39%, Due in Annual Installments of \$31,047, Due September, 2022, Secured by Vactor Truck	144,698	0	27,590	117,108
Water Fund:				
Vermont Municipal Bond Bank, Refinancing of Two (2) USDA Loans, Due in two Semi-Annual Installments totaling \$40,497 Including Interest at 3.65%, Due November, 2041	551,397	0	20,372	531,025
Mill Street Water Line Loan from the EPA. Interest at 1%, Administrative Fee at 2%, Due in Annual Installments of \$5,579 in October, Due October 1, 2030	59,332	0	3,799	55,533
Millstone and Water Tank Loan from Community, N.A. Interest at 2.13% and Principal Payments of \$8,000 are Due in Annual Installments, Due and Paid October, 2018	8,000	0	8,000	0

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 10 – LONG-TERM LIABILITIES (Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Websterville Fire District Loan, Special Environmental Revolving Fund, Interest at 0%, Due 2037	\$ 111,797	\$ 0	\$ 61,797	\$ 50,000
Websterville Fire District Loan, Special Environmental Revolving Fund, Interest at 0%, Due 2037	698,027	114,475	0	812,502
Websterville Fire District Loan, USDA, Interest at 4.5%, Due February, 2031	83,659	0	2,873	80,786
Websterville Fire District Loan, USDA, Interest at 4.5%, Due February, 2031	<u>75,438</u>	<u>0</u>	<u>2,590</u>	<u>72,848</u>
Total Business-Type Activities Long-Term Debt	<u>\$ 1,932,123</u>	<u>\$ 114,475</u>	<u>\$ 172,246</u>	<u>\$ 1,874,352</u>

Changes in Long-Term Liabilities during the year were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
General Obligation Bonds Payable	\$ 245,000	\$ 0	\$ 50,000	\$ 195,000	\$ 45,000
Capital Leases Payable	589,084	0	242,537	346,547	224,448
Compensated Absences	135,063	15,279	0	150,342	0
Net Pension Liability	<u>819,711</u>	<u>31,587</u>	<u>0</u>	<u>851,298</u>	<u>0</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 1,788,858</u>	<u>\$ 46,866</u>	<u>\$ 292,537</u>	<u>\$ 1,543,187</u>	<u>\$ 269,448</u>
Business-type Activities					
Revolving Loan Fund Payable	\$ 181,250	\$ 0	\$ 36,250	\$ 145,000	\$ 36,250
USDA Rural Development Payable	551,397	0	20,372	531,025	21,115
Vermont Municipal Bond Bank	8,000	0	8,000	0	0
Mill Street EPA Loan Payable	59,332	0	3,799	55,533	3,913
Capital Leases Payable	163,223	0	36,565	126,658	37,798
Websterville Fire District Loans	968,921	114,475	67,260	1,016,136	15,989
Compensated Absences	58,198	8,050	0	66,248	0
Net Pension Liability	<u>477,731</u>	<u>22,142</u>	<u>0</u>	<u>499,873</u>	<u>0</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 2,468,052</u>	<u>\$ 144,667</u>	<u>\$ 172,246</u>	<u>\$ 2,440,473</u>	<u>\$ 115,065</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 10 - LONG-TERM LIABILITIES (Continued)

Amortization of the capital leases is included in depreciation expense.

Compensated absences are paid from the applicable fund where the employee is charged.

The net pension liability is the difference between the total pension liability (the present value of projected benefit payments to employees based on their past service) and the assets (mostly investments reported at fair value) set aside to pay current employees, retirees, and beneficiaries. The accrual for the Town's share of the net pension liability is recorded in the government-wide and enterprise and internal service fund financial statements.

Long-term debt will mature approximately as follows:

Years ending	Governmental Activities			Business-Type Activities		
Years ending	Principal	Interest	Capital Leases	Principal	Interest	Capital Leases
2020	\$ 45,000	\$ 5,591	\$ 233,626	\$ 77,267	\$ 27,513	\$ 40,597
2021	45,000	5,194	53,488	78,416	26,351	31,047
2022	35,000	4,008	53,488	79,606	25,145	31,047
2023	35,000	0	20,698	80,843	23,893	31,047
2024	35,000	0	0	45,877	22,594	0
2025-2029	0	0	0	250,408	91,689	0
2030-2034	0	0	0	273,411	51,463	0
2035-2039	0	0	0	166,811	15,329	0
2040-2044	0	0	0	89,470	2,118	0
2040-2049	0	0	0	51,383	0	0
To Be Forgiven	0	0	0	554,202	0	0
Total	195,000	14,793	361,300	1,747,694	286,095	133,738
Less: Imputed Interest	0	0	(14,753)	0	0	(7,080)
Total	\$ 195,000	\$ 14,793	\$ 346,547	\$ 1,747,694	\$ 286,095	\$ 126,658

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 11 - FUND BALANCE/NET POSITION CATEGORIES

The fund balances/net position of the Town are categorized as follows:

	Individual Funds Statements		Government-Wide Statements	
	Governmental	Proprietary	(Exhibit A)	
	Funds (Exhibit C)	Funds (Exhibit G)	Governmental Activities	Business-type Activities
Nonspendable:				
Community Development Fund - Land Held for Sale	\$ 395,119	\$ 0	\$ 0	\$ 0
Cemetery Trust Fund - principal at Edward Jones Investments	224,081	0	0	0
Prepaid expenses of Governmental Funds	36,385	0	0	0
Internal Receivables from Funds with Deficits	766,758	0	0	0
	<u>1,422,343</u>	<u>0</u>	<u>0</u>	<u>0</u>
Restricted:				
Cemetery Trust Fund - principal at Edward Jones Investments	0	0	224,801	0
Community Development Fund - Grant Agreement	0	0	408,786	0
Construction Fund - Bike Path Donations	344,807	0	344,807	0
Cemetery Trust Fund - perpetual care	70,105	0	70,105	0
Sewer Fund - For Sewer Improvements by Sewer Allocation Policy	0	729,769	0	729,769
	<u>414,912</u>	<u>729,769</u>	<u>1,048,499</u>	<u>729,769</u>
Committed:				
Cemetery Fund - By the Voters	46,178	0	0	0
	<u>46,178</u>	<u>0</u>	<u>0</u>	<u>0</u>
Assigned:				
General Fund - future purchases:				
Fire Department	25,900	0	0	0
General Government	5,235	0	0	0
Highway	14,400	0	0	0
Police Department	9,200	0	0	0
Recreation	62,881	0	0	0
General Fund - to reduce tax rate	65,200	0	0	0
Reappraisal Fund	540,285	0	0	0
Recreation Fund	2,052	0	0	0
	<u>725,153</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unassigned (governmental funds)/Unrestricted (business-type funds)	2,238,775	(165,985)	3,606,299	(165,985)
Invested in Capital Assets, Net of Related Debt	0	3,499,070	13,605,302	3,499,070
	<u>0</u>	<u>3,499,070</u>	<u>13,605,302</u>	<u>3,499,070</u>
Total Fund Balances/Net Position	\$ 4,847,361	\$ 4,062,854	\$ 18,260,100	\$ 4,062,854

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 12 – CONTINGENT LIABILITIES

The Town participates in a number of federally assisted and state grant programs that are subject to audits by the grantors or their representatives. The audits of these programs for or including the year ended June 30, 2019 have not yet been reviewed by the grantor agencies. Accordingly, compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

NOTE 13 - PROPERTY TAXES

Property taxes are assessed based on valuations as of April 1, annually. Property taxes were due in four equal installments on August 15, November 15, February 15, and May 15. All late payments are subject to a 5% penalty if paid within 30 days of the installment date; an 8% penalty if paid after 30 days, and interest calculated at 1% per month.

Town property tax revenue is recognized in the General Fund for the period for which the tax is levied to the extent they result in current receivables, which will be collected within 60 days of the fiscal year end. The tax rates for fiscal year 2018/2019 were as follows:

	<u>Residential</u>	<u>Non-Residential</u>
General Fund	\$ 0.4926	\$ 0.4926
Highway Fund	0.4164	0.4164
Local Agreement	0.0033	0.0033
State Education Tax	<u>1.4396</u>	<u>1.8041</u>
	<u>\$ 2.3519</u>	<u>\$ 2.7164</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 14 - PENSION PLANS

Defined Benefit Plans

The Vermont Municipal Employees' Retirement System (VMERS)

Plan Description

The Vermont Municipal Employees' Retirement System (VMERS) is a cost-sharing, multiple-employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees. It is designed for municipal and school district employees that work on a regular basis and also includes employees of museums and libraries if at least half of that institution's operating expenses are met by municipal funds. An employee of any employer that becomes affiliated with the system may join at that time or at any time thereafter. Any employee hired subsequent to the effective participation date of their employer who meets the minimum hourly requirements is required to join the system. During the year ended June 30, 2019, the retirement system consisted of 402 participating employers.

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

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

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of creditable service.

Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

As of June 30, 2018, the measurement date selected by the State of Vermont, VMERS was funded at 82.60% and had a plan fiduciary net position of \$667,848,905 and a total pension liability of \$808,524,797 resulting in a net position liability of \$140,675,892. As of June 30, 2019, the Town's proportionate share of this was 0.96050% resulting in a net pension liability of \$1,351,170. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating municipalities, actuarially determined. The Town's proportion of 0.96050% was a decrease of .11039 from its proportion measured as of the prior year.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

For the year ended June 30, 2019, the Town recognized pension expense of \$356,846.

This amount is included in the Government-wide Statement of Activities as follows:

\$222,365 is in Governmental Activities, including the Internal Service Fund amount of \$9,765, and \$134,481 is in Business-type Activities.

As of June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 117,363	\$ 21,605
Changes in assumptions	149,625	0
Difference between projected and actual investment earnings	156,597	0
Changes in proportional share of contributions	7,323	0
Differences between the employer contributions and proportionate share of total contributions	0	89,942
Town's required employer contributions made subsequent to the measurement date	<u>178,625</u>	<u>0</u>
	<u>\$ 609,533</u>	<u>\$ 111,547</u>

The deferred outflows of resources resulting from the Town's required employer contributions made subsequent to the measurement date in the amount of \$178,625 will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending <u>June 30</u>	
2020	\$ 236,602
2021	68,196
2022	(958)
2023	<u>15,521</u>
Total	<u>\$ 319,361</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Summary of System Provisions

Membership – Full time employees of participating municipalities. The Town elected coverage under Groups B and C provisions.

Creditable Service – Service as a member plus purchased service.

Average Final Compensation (AFC) – Groups B and C – Average annual compensation during highest three (3) consecutive years.

Service Retirement Allowance:

Eligibility – Group B – The earlier of age 62 with five (5) years of service or age 55 with thirty (30) years of service. Groups C – Age 55 with five (5) years of service.

Amount – Group B – 1.7% of AFC times service as a Group B member plus percentage earned as a Group A member times AFC. Group C – 2.5% of AFC times service as a Group C member plus percentage earned as a Group A or B member times AFC.

Maximum benefit is 60% of AFC for Group B and 50% of AFC for Groups C. The previous amounts include the portion of the allowance provided by member contributions.

Early Retirement Allowance:

Eligibility – Age 55 with five (5) years of service for Group B.

Amount – Normal allowance based on service and AFC at early retirement, reduced by 6% for each year commencement precedes normal retirement age for Group B members.

Vested Retirement Allowance:

Eligibility – Five (5) years of service.

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

Disability Retirement Allowance:

Eligibility – Five (5) years of service and disability as determined by Retirement Board.

Amount – Immediate allowance based on AFC and service to date of disability.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Death Benefit:

Eligibility – Death after five (5) years of service.

Amount – For Groups B and C, reduced early retirement allowance under 100% survivor option commencing immediately or, if greater, survivor(s) benefit under disability annuity computed as of date of death.

Optional Benefit and Death after Retirement – For Groups B and C, lifetime allowance or actuarially equivalent 50% or 100% joint and survivor allowance with refund of contribution guarantee.

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

Post-Retirement Adjustments – Allowance in payment for at least one year increased on each January 1 by one-half of the percentage increase in Consumer Price Index but not more than 3% for Groups B and C.

Member Contributions – Group B – 5.0%. Group C – 10.125%.

Employer Contributions – Group B – 5.625%. Group C – 7.375%.

Retirement Stipend – \$25 per month payable at the option of the Board of Trustees.

Significant Actuarial Assumptions and Methods

Investment Rate of Return: 7.50%, net of pension plan investment expenses, including inflation.

Salary increases: 5% per year.

Mortality:

Death in Active Service: Groups B and C – 98% of RP-2006 blended 60% Blue Collar Employee, 40% Healthy Employee with generational improvement.

Healthy Post-Retirement: Groups B and C – 98% of RP-2014 blended 60% Blue Collar Annuitant, 40% Healthy Annuitant with generational improvement.

Disabled Post-Retirement: Groups B and C – RP-2006 Disabled Mortality Table with generational improvement.

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

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Cost-of-Living Adjustments: Assumed to occur on January 1 following one year of retirement at the rate of 1.30% per annum for Groups B and C members (beginning at normal retirement eligibility age for members who elect reduced early retirement, at age 62 for members of Group B who receive a disability retirement benefit, and at age 55 for members of Group C who receive a disability retirement benefit). The January 1, 2019 COLA is assumed to be 1.3% for all groups.

Actuarial Cost Method: Entry age actuarial cost method. Entry age is the age at date of employment or, if date is unknown, current age minus years of service. Normal cost and actuarial accrued liability are calculated on an individual basis and are allocated by salary, with normal cost determined using the plan of benefits applicable to each participant.

Actuarial Value of Assets: A smoothing method is used, under which the value of assets for actuarial purposes equals market value less a five-year phase-in of the differences between actual and assumed investment return. The value of assets for actuarial purposes may not differ from market value of assets by more than 20%.

Inflation: 2.50%.

Long-term Expected Rate of Return:

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
US Equity	18%	6.10%
Non-US Equity	16%	7.45%
Global Equity	9%	6.74%
Fixed Income	26%	2.25%
Real Estate	8%	5.11%
Private Markets	15%	7.60%
Hedge Funds	8%	3.86%

Discount Rate – The discount rate used to measure the total pension liability was 7.50%. In accordance with paragraph 29 of GASB 68, professional judgement was applied to determine that the System's projected fiduciary net position exceeds projected benefit payments for current active and inactive members for all years. The analysis was based on the expectation that employers will continue to contribute at the rates set by the Board, which exceed the actuarially determined contribution, which is comprised on an employer normal cost payment and a payment to reduce the unfunded liability to zero by June 30, 2038. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share would be if it were calculated using a discount rate that is one percent lower (6.50%) or one percent higher (8.50%):

<u>1% Decrease (6.50%)</u>	<u>Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
\$2,288,576	\$1,351,170	\$588,798

Additional Information

Additional information regarding the State of Vermont Municipal Employees' Retirement System, including the details of the Fiduciary Net Position, is available upon request from the State of Vermont.

NOTE 15 - RISK MANAGEMENT

The Town of Barre 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 natural disasters. The Town maintains insurance coverage through the Vermont League of Cities and Towns Property and Casualty Intermunicipal Fund, Inc. covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The Town must remain a member for a minimum of one year and may withdraw from the Fund after that time by giving sixty days' notice. Fund underwriting and rate-setting policies have been established after consultation with actuaries. Fund members are subject to a supplemental assessment in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund's liabilities.

The Town of Barre is also a member of the Vermont League of Cities and Towns Employment Resource and Benefits Trust. The Trust is a nonprofit corporation formed to provide unemployment coverage and other employment benefits for Vermont municipalities and is owned by the participating members. The agreement does not permit the Trust to make additional assessments to its members. The Town has only elected unemployment coverage with the Trust.

NOTE 16 - COMMITMENTS

The Town has entered into contracts with a number of surrounding towns to provide emergency medical services through June 30, 2021.

In November 2010, the Town entered into a 40-year agreement with the City of Barre to supersede a previous old agreement regarding the water distribution systems for both the City and the Town. Under this agreement the Town shall pay to the City an annual "readiness to serve" base charge which was \$23,847 as of June 30, 2019. This amount can be increased by the same percentage as the City resident's quarterly base charge. The agreement also outlines the criteria for establishing rates charged to the Town and Town residents serviced by the City water system.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 17 - DEFICIT NET POSITION/FUND BALANCES

An unrestricted net position deficit of \$430,167 (which is \$184,180 less than at June 30, 2018) exists in the Ambulance Fund due to having an excess of operating expenses over revenue since the Ambulance Fund was established in budget year 1999-2000. The gross number of ambulance calls increased year-over-year in FY'17 and FY'18. The 3-year average of gross ambulance calls for fiscal years '16, '17 and '18 was 3,670. During FY'19 there were 4,091 total (gross) ambulance calls, a 209 call increase over FY'18. For revenues, however, the number of billable calls is more important. During FY'19 the number of billable calls was 3,088, which was 277 more than the prior year and 275 more than the average of the three prior years. BTEMS performed one more critical care transfer (typically billed at a much higher amount than other calls) in FY'19 than in FY'18, but 52 less than the average of the three prior years. Opportunities to perform these critical care transfers are not likely to rebound to FY'16 levels.

There is also an unrestricted net position deficit in the Water Fund of \$152,177 due to continuing net losses from operations. Water rates were increased in fiscal year 2019 and again for fiscal year 2020 to reduce the likelihood of an operating deficit.

There is also an unrestricted net position deficit in the Equipment Internal Service Fund of \$522,483 (\$181,746 less than the last year) due to operating losses in prior years. The Town is slowly reducing the deficit through increased rates. Also, minimum payments from the Highway Fund have been implemented to offset large fixed costs.

The Community Development Fund has an unassigned deficit fund balance of \$9,342, which will be eliminated by the sale of land held for sale in the Wilson Industrial Park.

The Construction Fund has an unassigned deficit fund balance of \$174,582 which will be eliminated by the collection of grants receivable.

NOTE 18 - RELATED PARTY TRANSACTIONS

A Selectboard member owns a retail store that does business with the Town. In 2019, total purchases from the business owned by the Selectboard member amounted to \$3,136. The Selectboard does not have a policy addressing conflicts of interest but, as a practice, Selectboard members abstain from voting on transactions that may present a conflict.

NOTE 19 – SUBSEQUENT EVENTS

The Selectboard authorized the financing of a dump truck with a lease for three (3) years at 2.87% interest in the amount of \$104,630.

The Selectboard authorized borrowing \$150,000 at 2.87% interest for fifteen (15) years to refinance two (2) USDA Rural Development loans in the Water Department.

The Selectboard also approved the purchase of a Fire Department tanker for a cost of \$214,528 to be financed over five (5) years at 2.37% interest.

TOWN OF BARRE, VERMONT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 VMERS DEFINED BENEFIT PLAN
 JUNE 30, 2019

	2019	2018	2017	2016	2015
Total Plan Net Pension Liability	\$ 140,675,892	\$ 121,155,552	\$ 128,696,167	\$ 77,095,810	\$ 9,126,613
Town's Proportion of the Net Pension Liability	0.96050%	1.07089%	1.1287%	1.1149%	1.0372%
Town's Proportionate Share of the Net Pension Liability	\$ 1,351,170	\$ 1,297,442	\$ 1,452,550	\$ 859,541	\$ 94,658
Town's Covered Employee Payroll	\$ 2,865,006	\$ 2,821,145	\$ 2,920,028	\$ 2,890,677	\$ 2,735,854
Town's Proportionate Share of the Net Pension Liability as a Percentage of Town's Covered Employee Payroll	47.1612%	45.9899%	49.7444%	29.7349%	3.4599%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.60%	83.64%	80.95%	87.42%	98.32%

Notes to Schedule

Benefit Changes: None.

Changes in Assumptions and Methods: None.

Fiscal year 2015 was the first year of implementation, therefore, only five years are shown.

TOWN OF BARRE, VERMONT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CONTRIBUTIONS
 VMERS DEFINED BENEFIT PLAN
 FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018	2017	2016	2015
Contractually Required Contribution (Actuarially Determined)	\$ 178,625	\$ 168,236	\$ 174,886	\$ 173,411	\$ 155,577
Contributions in Relation to the Actuarially Determined Contributions	<u>178,625</u>	<u>168,236</u>	<u>174,886</u>	<u>173,411</u>	<u>155,577</u>
Contribution Excess/(Deficiency)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Town's Covered Employee Payroll	\$ 2,865,006	\$ 2,821,145	\$ 2,920,028	\$ 2,890,677	\$ 2,735,854
Contributions as a Percentage of Town's Covered Employee Payroll	6.23%	5.96%	5.99%	6.00%	5.69%

Notes to Schedule

Valuation Date: June 30, 2018 June 30, 2017 June 30, 2016 June 30, 2015 June 30, 2014

Fiscal year 2015 was the first year of implementation, therefore, only five years are shown.

TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues:			
General Government:			
Property Taxes:			
Current Taxes:			
Property Taxes - General	\$ 3,014,656	\$ 2,969,061	\$ (45,595)
Property Taxes - Cemetery	27,750	27,750	0
Property Taxes - Highway	<u>2,802,095</u>	<u>2,673,690</u>	<u>(128,405)</u>
Total Current Taxes	<u>5,844,501</u>	<u>5,670,501</u>	<u>(174,000)</u>
Delinquent Taxes:			
Current Year Delinquent Taxes	155,000	126,610	(28,390)
Prior Year Delinquent Taxes	<u>158,000</u>	<u>169,527</u>	<u>11,527</u>
Total Delinquent Taxes	<u>313,000</u>	<u>296,137</u>	<u>(16,863)</u>
Other Items:			
Payment in Lieu of Taxes/Rebate	<u>28,350</u>	<u>24,691</u>	<u>(3,659)</u>
Total Other Items	<u>28,350</u>	<u>24,691</u>	<u>(3,659)</u>
Interest and Late Charges - Delinquent:			
Interest/Late Charge 1% & 5%	70,000	44,390	(25,610)
Delinquent Tax Coll. Fee 8%	<u>22,000</u>	<u>25,798</u>	<u>3,798</u>
Total Interest and Late Charges - Delinquent	<u>92,000</u>	<u>70,188</u>	<u>(21,812)</u>
Total Property Taxes	<u>6,277,851</u>	<u>6,061,517</u>	<u>(216,334)</u>
Licenses and Permits:			
Business Licenses and Permits:			
Alcoholic Bev. Licenses	1,000	1,160	160
Fireworks Permits	180	255	75
Racing Permits	800	800	0
Special Events Permits	<u>50</u>	<u>100</u>	<u>50</u>
Total Business Licenses and Permits	<u>2,030</u>	<u>2,315</u>	<u>285</u>
Non-Business Licenses and Permits:			
Dog Licenses	5,300	5,595	295
Zoning	3,800	5,259	1,459
Conditional Use & Variance	800	554	(246)
Driveway Permits	1,300	1,855	555
Burial and Transit	90	135	45
Sub Division Fees	1,500	1,360	(140)
GIS Update Fee	200	400	200
Site Plan Review	<u>250</u>	<u>706</u>	<u>456</u>
Total Non-Business Licenses and Permits	<u>13,240</u>	<u>15,864</u>	<u>2,624</u>
Total Licenses and Permits	<u>15,270</u>	<u>18,179</u>	<u>2,909</u>
Intergovernmental Revenue:			
Federal:			
DOJ Police Vest Grant	275	0	(275)
Fed. Grants/Public Safety-Cops	0	8,560	8,560
Fed. Grants/Other	<u>0</u>	<u>2,173</u>	<u>2,173</u>
Total Federal	<u>275</u>	<u>10,733</u>	<u>10,458</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Favorable/ (Unfavorable)
State:			
Added by Import	\$ 0	\$ 8,000	\$ 8,000
Current Use Program	95,000	97,587	2,587
Act 60 Reappraisal Grant	3,600	3,643	43
State Grant - Highway & Streets	200,545	200,548	3
State Grant - Paving & Bridges	0	258,049	258,049
Total State	<u>299,145</u>	<u>567,827</u>	<u>268,682</u>
Total Intergovernmental	<u>299,420</u>	<u>578,560</u>	<u>279,140</u>
Charges for Services:			
General Government:			
Recording Fees	62,900	57,235	(5,665)
Issuing Hunting/Fishing Lic.	25	6	(19)
Telephone/Maps Income	75	50	(25)
Vault Time/Copies	825	626	(199)
Certified Copies	4,000	3,150	(850)
Photo Copy Charges	5,200	5,592	392
Green Mtn. Passports	75	70	(5)
Vehicle Registration Fees	500	471	(29)
Other	400	2,394	1,994
Total General Government	<u>74,000</u>	<u>69,594</u>	<u>(4,406)</u>
Public Safety - Police and Fire:			
Police - Thunder Road	17,500	27,026	9,526
Police - Other Contracts	350	674	324
Police - Local Ordinance Fines	16,500	11,559	(4,941)
Police - Parking Violations	750	1,005	255
Police - Accident Reports	1,900	2,385	485
Police - Donations	0	100	100
Police Wage Reimbursement	0	220	220
Police - Miscellaneous	300	0	(300)
Fire - Town of Orange	4,500	9,784	5,284
Fire - Other Contracts	300	0	(300)
Fire - Miscellaneous	0	683	683
Fire - Donations	250	20	(230)
Total Public Safety - Police and Fire	<u>42,350</u>	<u>53,456</u>	<u>11,106</u>
Highway and Streets:			
Services Rendered	750	10	(740)
Gross Load Permits	1,050	1,138	88
Unregistered Vehicle Permits	350	420	70
Road Open Permit - Dig in ROW	300	(190)	(490)
Refunds - Highway	0	125	125
Street Number Sign Sales	0	169	169
Miscellaneous	100	9,754	9,654
Total Highway and Streets	<u>2,550</u>	<u>11,426</u>	<u>8,876</u>
Sanitation:			
Bulk Trash Collection Receipts	3,200	5,605	2,405
Green Up	625	1,275	650
Total Sanitation	<u>3,825</u>	<u>6,880</u>	<u>3,055</u>

TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Favorable/ (Unfavorable)
Recreation:			
Recreation Programs	\$ 500	\$ 1,952	\$ 1,452
Bor Rec. Field Lights	1,500	900	(600)
Use of Fields	2,500	1,760	(740)
Use of Picnic Shelter	2,200	2,812	612
Recreation - Donation Revenues	450	1,204	754
Donations Travis Skate Park	4,150	6,063	1,913
Dog Park Donations	0	4,994	4,994
Dog Park Calendar Sales	0	15	15
Lower Graniteville Playground	0	1,100	1,100
Miscellaneous Donations	1,600	150	(1,450)
Total Recreation	12,900	20,950	8,050
Total Charges for Services and Fees	135,625	162,306	26,681
Miscellaneous Revenue:			
Miscellaneous Revenue:			
Misc. Revenue	1,000	1,954	954
Rents - 22 Wilson St.	5,000	4,550	(450)
Reimbursement Revenue	2,000	13,330	11,330
Sale of Property	0	4,227	4,227
Total Miscellaneous Revenue	8,000	24,061	16,061
Interest Income:			
Interest Earned	1,800	8,369	6,569
Total Interest Income	1,800	8,369	6,569
Transfers:			
Transfer In-BAD Incubator Bldg.	9,030	9,308	278
Total Transfers	9,030	9,308	278
Total Miscellaneous Revenue	18,830	41,738	22,908
Total Revenues	6,746,996	6,862,300	115,304
Expenditures:			
General Government:			
Selectboard:			
Regular	8,000	6,894	1,106
Mileage	25	0	25
Office Supplies	0	598	(598)
Other Supplies	30	157	(127)
Postage	2,960	6,828	(3,868)
Advertising	225	0	225
Printing	4,360	4,587	(227)
Miscellaneous	2,150	1,519	631
Training Registration	120	125	(5)
Training Materials	25	0	25
Legal Fees	1,000	34	966
Other Professional Services	0	1,107	(1,107)
Miscellaneous	9,300	14,866	(5,566)
Total Selectboard	28,195	36,715	(8,520)

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TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Favorable/ (Unfavorable)
Auditing:			
Regular	\$ 425	\$ 325	\$ 100
Mileage	50	0	50
Printing Town Reports	3,650	5,097	(1,447)
Training Registration	60	0	60
Independent Audit & Accounting	57,245	61,169	(3,924)
Legal	50	0	50
	<u>61,480</u>	<u>66,591</u>	<u>(5,111)</u>
Total Auditing			
Town Manager:			
Regular	142,440	141,722	718
Bonus	515	0	515
Sick	0	72	(72)
Comp Time Paid	0	10	(10)
Town Equipment Charges	7,755	7,755	0
Mileage	50	0	50
Equipment Rentals	1,555	1,645	(90)
Office Supplies	1,500	6,555	(5,055)
Postage	1,060	4	1,056
Advertising	2,750	2,085	665
Printing	250	251	(1)
Telephone	1,800	1,834	(34)
Miscellaneous	190	141	49
Training Registration	560	277	283
Conference Registrations	450	590	(140)
Travel and Lodging	75	130	(55)
Dues	1,360	1,350	10
Reference Books	690	1,222	(532)
Legal Fees	3,500	1,569	1,931
Assesor's Contract	0	385	(385)
Other Outside Services	4,250	1,443	2,807
Payroll Processing Fees	8,125	6,708	1,417
Misc. Ordinance Codification	1,050	1,892	(842)
	<u>179,925</u>	<u>177,640</u>	<u>2,285</u>
Total Town Manager			
Elections:			
Regular	8,600	7,897	703
Overtime	2,100	9,690	(7,590)
Other Supplies	6,800	13,856	(7,056)
Postage	1,285	1,130	155
Advertising	1,150	1,603	(453)
	<u>19,935</u>	<u>34,176</u>	<u>(14,241)</u>
Total Elections			
Clerk/Town Treasurer Office:			
Regular	164,035	174,524	(10,489)
Bonus	500	75	425
Bereavement	0	136	(136)
Mileage	1,530	1,228	302
Equipment Maint. Contracts	45	0	45
Equipment Repair Costs	25	0	25
Small Equipment Purchases	650	1,010	(360)
Office Supplies	3,100	3,898	(798)
Postage	5,500	5,020	480
Advertising	535	350	185
Printing	1,895	1,335	560
Telephone	1,775	838	937
Training Registration	330	150	180
Conference Registrations	60	0	60

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TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Favorable/ (Unfavorable)
Clerk/Town Treasurer Office:			
Dues	\$ 310	\$ 335	\$ (25)
Subscription	180	180	0
Legal Fees	3,000	5,884	(2,884)
Bank Service Fees	415	221	194
Misc. - Restoration of Records	14,385	13,973	412
Miscellaneous	75	6,007	(5,932)
Muni Vault Shelves xfer	5,000	0	5,000
Interfund Transfers	0	14	(14)
	<u>203,345</u>	<u>215,178</u>	<u>(11,833)</u>
Total Clerk/Town Treasurer Office			
Data Processing:			
Regular	5,700	3,897	1,803
Town Equipment Charges	7,525	7,525	0
Equipment Repair Costs	100	0	100
Office Equipment	625	398	227
Office Supplies	50	2	48
Internet Access	4,560	1,855	2,705
Training Registration	200	300	(100)
Comp. Software Maint. & Upgrade	26,005	53,979	(27,974)
	<u>44,765</u>	<u>67,956</u>	<u>(23,191)</u>
Total Data Processing			
Planning/Zoning/Community Development:			
Salaries	90,880	77,812	13,068
Bonus	475	0	475
Personal	0	37	(37)
Mileage	950	916	34
Office Supplies	960	1,192	(232)
Postage	1,700	1,700	0
Advertising	1,075	1,560	(485)
Printing	125	0	125
Miscellaneous	25	34	(9)
Telephone	1,045	360	685
Training Registrations	225	0	225
Conference Registrations	125	70	55
Travel & Lodging	25	0	25
Training Materials	25	0	25
Reference Books	110	102	8
Engineering/Architect Services	1,000	0	1,000
Legal Fees	500	125	375
Comp. Software Maint & Upgrade	5,075	5,143	(68)
Contracts with Others	100	0	100
Miscellaneous	50	0	50
	<u>104,470</u>	<u>89,051</u>	<u>15,419</u>
Total Planning/Zoning/Community Development			
Assessor:			
Regular	37,155	40,392	(3,237)
Overtime	0	704	(704)
Bonus	60	0	60
Vacation	0	136	(136)
Mileage	50	40	10
Office Supplies	540	652	(112)
Postage	1,670	1,670	0
Advertising	290	1,261	(971)
Printing	150	174	(24)
Telephone	820	360	460

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TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Favorable/ (Unfavorable)
Assessor:			
Training	\$ 75	\$ 0	\$ 75
Reference Books	1,040	0	1,040
Legal Fees	160	851	(691)
Comp. Software Main & Upgrade	9,165	8,335	830
Assessor's Contract	48,000	42,779	5,221
Total Assessor	99,175	97,354	1,821
Municipal Building:			
Salaries	12,195	5,998	6,197
Town Equipment Charges	2,560	3,231	(671)
Radio Rentals & Repairs	415	415	0
Equipment Repairs	100	0	100
Equipment Rentals	125	0	125
Large Equipment Purchases	4,700	4,698	2
Small Equipment Purchases	0	528	(528)
Other Supplies	210	256	(46)
Sewer & Water	995	1,138	(143)
Electricity	10,875	12,534	(1,659)
Heat	5,025	29,377	(24,352)
Building Fund -Transfer Out	8,800	8,800	0
Supplies	1,965	2,482	(517)
Building Main. & Repairs	7,495	4,405	3,090
Furniture and Fixtures	350	361	(11)
Miscellaneous	70	115	(45)
Rubbish Removal	1,050	1,142	(92)
Cleaning Services	1,325	1,882	(557)
Total Municipal Building	58,255	77,362	(19,107)
Total General Government	799,545	862,023	(62,478)
Public Safety:			
Police:			
Regular	444,775	395,700	49,075
Overtime	64,500	49,090	15,410
Thunder Road Wages	16,750	20,604	(3,854)
Coverage/Specials	21,355	14,206	7,149
Training	4,000	4,718	(718)
Bonus	5,745	1,950	3,795
Vacation	48,305	38,039	10,266
Sick	4,980	2,450	2,530
Holiday	2,560	3,009	(449)
Personal Day	0	73	(73)
Comp Time	0	2,747	(2,747)
Town Equipment Charges	129,780	129,780	0
Mileage	1,520	466	1,054
Radio Rentals & Repairs	3,330	2,210	1,120
Equipment Contracts	7,280	7,488	(208)
Equipment Repair Costs	2,100	551	1,549
Equipment Rentals	3,400	3,944	(544)
Equipment Purchases	7,925	10,423	(2,498)
Office Supplies	750	697	53
Other Supplies	1,370	865	505
Postage	310	374	(64)
Advertising	1,100	2,447	(1,347)
Printing	800	591	209
Telephone	5,905	4,263	1,642
Mobil Data Internet Charges	2,400	2,197	203
Capital Improvements	650	964	(314)

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TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Favorable/ (Unfavorable)
Police/(Cont'd):			
Building Fund - Transfer Out	\$ 50	\$ 50	\$ 0
Training	4,000	3,528	472
Travel & Lodging	640	516	124
Dues	430	190	240
Subscriptions	275	0	275
Training Materials	5,270	6,209	(939)
Reference Books	60	0	60
Public Education Programs	650	621	29
Legal Services	250	1,301	(1,051)
Medical Vet Expenses	820	678	142
Contracts with Other Towns	97,610	94,010	3,600
Outside Lab Services	500	0	500
Miscellaneous	1,010	2,338	(1,328)
T. Road Pmts to WCSO	1,100	2,453	(1,353)
Employer HAS	0	6,250	(6,250)
Uniforms	7,635	8,328	(693)
Shoe Allowance	1,200	25	1,175
Personal Protective Eq. & Supp	0	1,277	(1,277)
Donation Expenses	0	94	(94)
Telephone	0	206	(206)
	<u>903,090</u>	<u>827,920</u>	<u>75,170</u>
Total Police			
Fire:			
Regular	51,750	74,875	(23,125)
Regular Wages-Fire Warden	2,950	2,213	737
Reg Wages - Hydrants	200	0	200
DPW Assisted Overtime	140	187	(47)
Training	11,050	0	11,050
Town Equipment Charges	144,755	148,426	(3,671)
Mileage	700	856	(156)
Radio Rentals & Repairs	7,515	6,965	550
Radio Rent/Rprs-Fire Wrdrn	0	26	(26)
Equipment Repair Costs	3,500	1,737	1,763
Equipment Purchases	10,350	8,475	1,875
Equipment Replacement Reserve	1,500	0	1,500
Large Equip Purchase - Principal	43,875	42,427	1,448
Large Equip Purchase Interest	1,460	2,908	(1,448)
FD Office Equip	600	674	(74)
Hand Tools	100	0	100
Office Supplies	580	512	68
Other Supplies	1,150	888	262
Grease & Oil	15	0	15
Gasoline	130	83	47
Other Supplies	400	2,799	(2,399)
Postage	485	485	0
Misc. Supplies/Expenses	3,325	3,280	45
Sewer & Water	1,515	2,056	(541)
Electricity	4,945	6,586	(1,641)
Telephone	1,080	444	636
Telephone-Fire Warden	215	187	28
Internet Access	1,920	1,875	45
Email Accessory Service	1,550	1,645	(95)
Heat	10,660	12,894	(2,234)
Building Fund - Transfer Out	9,010	9,010	0
Supplies	725	492	233
Building Maint. & Repairs	10,450	6,332	4,118
Training	555	75	480
Travel & Lodging	50	0	50
Dues	775	709	66
Subscriptions	0	62	(62)

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TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Favorable/ (Unfavorable)
Fire/(Cont'd):			
Training Materials	\$ 0	\$ 90	\$ (90)
Public Education Programs	700	399	301
Legal Expenses	0	270	(270)
Contracts with Other Towns	46,705	46,705	0
Contracted Service	815	1,113	(298)
Miscellaneous	2,365	4,187	(1,822)
Volunteer's Accident Policy	2,050	0	2,050
Personal Protective Equip/Supp	58,150	63,513	(5,363)
Gear Replacement Reserve	8,500	0	8,500
Immunizations	400	0	400
Miscellaneous	0	600	(600)
Misc. - Fire Warden	650	0	650
Total Fire	450,315	457,060	(6,745)
Emergency Management:			
Regular	900	900	0
Town Equipmnet Charges	1,880	1,880	0
Radio Rentals & Repairs	790	721	69
Office Supplies	25	0	25
Advertising	85	0	85
Telephone	435	61	374
Furniture and Fixtures	500	880	(380)
Training	100	0	100
Training Materials	50	0	50
Other Outside Services	1,445	55	1,390
Total Emergency Management	6,210	4,497	1,713
Total Public Safety	1,359,615	1,289,477	70,138
Ambulance Service:	459,765	459,765	0
Public Works:			
Engineering Administration:			
Regular	129,305	118,836	10,469
Overtime	500	509	(9)
Bonus	1,420	0	1,420
Town Equipment Charges	33,650	33,650	0
Mileage	75	0	75
Radio Rentals & Repairs	5,430	5,436	(6)
Office Supplies	660	1,528	(868)
Postage	215	215	0
Advertising	1,055	1,635	(580)
Printing	50	0	50
Telephone	1,395	959	436
Training Registration	255	180	75
Dues	1,125	1,106	19
Audit & Accounting	8,130	9,422	(1,292)
Engineering/Architectural Service	2,150	3,278	(1,128)
Legal Fees	850	540	310
Miscellaneous	1,675	2,422	(747)
Permits & Licenses	8,005	8,127	(122)
Total Engineering Administration	195,945	187,843	8,102

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TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Favorable/ (Unfavorable)
Summer Maintenance:			
Wages - Regular	\$ 0	\$ 1,798	\$ (1,798)
Regular	189,555	112,418	77,137
Overtime	3,000	2,823	177
Town Equipment Charges	297,305	191,466	105,839
Equipment Rentals	9,800	17,812	(8,012)
Large Equipment	20,700	20,695	5
Small Equipment	960	816	144
Hand Tools	800	759	41
Other Supplies	11,430	12,294	(864)
Other Supplies	0	25	(25)
Drainage Supplies	9,180	29,307	(20,127)
Summer Maintenance Water - Sewer	600	1,427	(827)
Contracted Highway Service	118,250	87,829	30,421
Total Summer Maintenance	661,580	479,469	182,111
Winter Maintenance:			
Wages - Regular	0	9,283	(9,283)
Regular	148,585	170,036	(21,451)
Overtime	42,945	64,982	(22,037)
Vacation	0	(1,742)	1,742
Comp Time	0	(2,226)	2,226
Town Equipmant Charges	261,680	407,660	(145,980)
Radio Rentals & Repairs	70	187	(117)
Other Materials	2,650	2,769	(119)
Other Supplies	870	961	(91)
Miscellaneous - Salt and Sand	177,600	227,624	(50,024)
Telephone	170	80	90
Building Fund - Transfer Out	1,895	1,895	0
Miscellaneous - Sand Shed Rental	0	(1,855)	1,855
Other Highway Outside Services	62,250	72,709	(10,459)
Miscellaneous	75	0	75
Total Winter Maintenance	698,790	952,363	(253,573)
Summer Construction:			
Regular	26,955	31,295	(4,340)
Overtime	600	413	187
Town Equipment Charges	60,880	57,913	2,967
Drainage Supplies	14,620	611	14,009
Highway Supplies	3,000	1,806	1,194
Paving Costs	335,710	352,996	(17,286)
Other Highway Outside Services	84,330	60,850	23,480
Total Summer Construction	526,095	505,884	20,211
Retreatment:			
Regular	6,610	8,441	(1,831)
Overtime	300	0	300
Town Equipment Charges	12,120	9,989	2,131
Drainage Supplies	5,540	704	4,836
Highway Supplies	850	0	850
Paving Costs	313,300	309,105	4,195
Total Retreatment	338,720	328,239	10,481
Building and Grounds:			
East Barre Sidewalk - Capital Improvements	21,860	21,860	0
Transfer to Construction Fund	0	19,105	(19,105)
Total Building and Grounds	21,860	40,965	(19,105)

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TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Favorable/ (Unfavorable)
Employee Benefits:			
Regular	\$ 0	\$ 10,657	\$ (10,657)
Bonus	300	150	150
Vacation	21,640	16,682	4,958
Sick	10,270	4,683	5,587
Holiday	15,410	15,198	212
Floater Holiday	6,070	286	5,784
Wellness	2,100	2,277	(177)
Personal Holiday	1,400	1,691	(291)
Comp Time	3,800	4,943	(1,143)
Workman's Comp Insurance	46,060	43,959	2,101
Unemployment	4,215	3,366	849
Retirement Group B	33,420	21,216	12,204
Health Insurance	184,715	147,625	37,090
Health Insurance Buy-Out	1,000	1,583	(583)
Health Deduct. & Co-Pay Reimb.	8,000	4,880	3,120
Dental Insurance	4,470	4,133	337
Health Savings Account	1,625	203	1,422
Vision Reimbursements	50	0	50
Disability and Life Insurance	4,275	3,838	437
Social Security	48,785	41,941	6,844
Uniforms	4,600	4,622	(22)
Boots	1,540	1,130	410
Protective Personal EG & Supp	1,650	1,644	6
Immunizations	400	1,323	(923)
Misc. - CDL Lisc. Renewal	380	218	162
	<u>406,175</u>	<u>338,248</u>	<u>67,927</u>
Total Employee Benefits			
Gravel Pits:			
Regular	14,000	14,802	(802)
Overtime	500	418	82
Town Equipment Charges	39,040	48,770	(9,730)
Other Supplies	3,055	6,580	(3,525)
Building Fund - Transfer Out	35	35	0
Building Maintenance and Repairs	25	0	25
Training Registration	1,050	1,125	(75)
Engineering	550	600	(50)
Other Highway Outside Services	150	89	61
Miscellaneous	100	0	100
Permits, Licenses	160	160	0
Taxes	1,240	1,236	4
	<u>59,905</u>	<u>73,815</u>	<u>(13,910)</u>
Total Gravel Pits			
Street and Traffic Signs:			
Regular	6,130	4,990	1,140
Overtime	65	0	65
Town Equipment Charges	1,665	7,433	(5,768)
Other Supplies	6,095	5,881	214
House Number Sign	0	116	(116)
Electricity - Street Lights	82,165	88,464	(6,299)
	<u>96,120</u>	<u>106,884</u>	<u>(10,764)</u>
Total Streets and Traffic Signs			
Total Public Works	<u>3,005,190</u>	<u>3,013,710</u>	<u>(8,520)</u>

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TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Favorable/ (Unfavorable)
Sanitation:			
Regular	\$ 3,325	\$ 5,220	\$ (1,895)
Overtime	6,695	4,925	1,770
Town Equipment Charges	12,900	12,353	547
Equipment Rental	700	0	700
Disposal Fees	725	0	725
Advertising	45	0	45
Miscellaneous	1,065	1,380	(315)
Dues - CVSWMD	8,160	8,157	3
Assessor's Contract	0	30	(30)
Other Outside Services	20,205	28,341	(8,136)
Green Up Day Expenses	0	247	(247)
	<u>53,820</u>	<u>60,653</u>	<u>(6,833)</u>
Total Sanitation			
Health and Welfare:			
Health Officer:			
Regular	1,900	2,008	(108)
Training Registration	75	0	75
Legal Fees	125	68	57
Other Outside Services	0	60	(60)
	<u>2,100</u>	<u>2,136</u>	<u>(36)</u>
Total Health Officer			
Animal Control:			
Regular	5,410	0	5,410
ACO Training	100	0	100
Mileage	685	0	685
Other Supplies	200	15	185
Postage	20	20	0
Printing	90	0	90
Telephone	375	312	63
Training Registration	75	0	75
Legal Fees	125	0	125
Outside Services	150	0	150
Misc. (Kennel / Vet. Fees)	2,700	2,100	600
Uniforms and Shoes	90	0	90
Personal Protective Eq. & Supp	50	0	50
Immunizations	800	0	800
	<u>10,870</u>	<u>2,447</u>	<u>8,423</u>
Total Animal Control			
Total Health and Welfare			
	<u>12,970</u>	<u>4,583</u>	<u>8,387</u>
Culture, Recreation, Development and Transportation:			
Culture:			
Central VT Home Health Hospice	16,000	16,000	0
Peoples Health & Wellness Clinic	1,500	1,125	375
Project Independence	5,500	5,500	0
Central VT Agency on Aging	6,000	6,375	(375)
Circle	2,000	2,000	0
Washington County Diversion	2,500	2,500	0
Central VT Adult Basic Education	2,900	2,900	0
Family Center of Washington Co	1,500	1,500	0
Central VT Community Action	1,000	1,000	0
Barre Senior Center	7,500	7,500	0
Sexual Assault Crisis Team	350	350	0
Washington County Youth Services	500	500	0
Retired Volunteer Program for Central Vermont	1,000	0	1,000

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TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Favorable/ (Unfavorable)
Culture/(Cont'd):			
Prevent Child Abuse Vermont	\$ 1,200	\$ 1,200	\$ 0
Vermont Center for Independent Living\	2,000	2,000	0
Good Beginnings of Central VT	500	500	0
Good Samaritan Haven	3,500	3,500	0
Barre Homecoming Days	4,000	4,000	0
Aldrich Library	175,000	175,000	0
Total Culture	<u>234,450</u>	<u>233,450</u>	<u>1,000</u>
Recreation:			
Regular	52,590	66,925	(14,335)
Overtime	1,000	1,675	(675)
Holiday	0	(68)	68
Town Equipment Charges	9,520	15,371	(5,851)
Mileage	575	1,038	(463)
Equipment Repair Costs	450	184	266
Equipment Rentals	100	0	100
Equipment Purchases	1,400	1,450	(50)
Hand Tools	100	405	(305)
Grease & Oil	60	108	(48)
Gasoline	60	0	60
Other Supplies	12,800	13,223	(423)
Travis Mercy Skate Park	0	4,099	(4,099)
Other Supplies EB Bike Path	2,000	2,081	(81)
Program Expenses	5,000	4,102	898
Postage	40	40	0
Advertising	600	89	511
Miscellaneous	100	139	(39)
Sewer & Water	1,465	1,690	(225)
Electricity	2,375	2,867	(492)
Telephone	300	221	79
Capital Improvements	22,100	20,191	1,909
Building Fund - Transfer Out	3,755	3,755	0
Supplies (Paper Products, etc.)	2,110	2,699	(589)
Building Maintenance & Repairs	3,630	5,411	(1,781)
Furniture & Fixtures	10,600	2,190	8,410
Miscellaneous	2,780	4,445	(1,665)
Rubbish Removal	920	1,344	(424)
Training Registrations	120	0	120
Dues	70	0	70
Assessor's Contract	0	19,239	(19,239)
Other Outside Services	39,645	56,757	(17,112)
Miscellaneous	950	725	225
Uniforms and Shoes	125	41	84
Donation Expenses	0	13,742	(13,742)
Total Recreation	<u>177,340</u>	<u>246,178</u>	<u>(68,838)</u>
Development:			
Appropriations	57,955	46,704	11,251
Barre Partnership	2,000	2,000	0
Development - Misc.	400	400	0
Mowing Wilson Indus Park	635	889	(254)
Barre Area Development	0	11,250	(11,250)
Total Development	<u>60,990</u>	<u>61,243</u>	<u>(253)</u>
Transportation:	<u>4,875</u>	<u>4,875</u>	<u>0</u>
Total Culture/Recreation/Development & Transportation	<u>477,655</u>	<u>545,746</u>	<u>(68,091)</u>

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TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget	Actual	Variance Favorable/ (Unfavorable)
Long-Term Debt:			
Debt Service - Principal	\$ 8,465	\$ 8,465	\$ 0
Interest	565	563	2
Total Long-Term Debt	<u>9,030</u>	<u>9,028</u>	<u>2</u>
Insurance and Benefits:			
Insurance:			
General Liability	11,395	11,249	146
Police/Fire/Liability	17,980	15,583	2,397
Public Officials Liability & Bond	11,675	9,965	1,710
Employment Practices	14,525	14,369	156
Building & Contents	9,925	9,592	333
Commercial Blanket Bond	4,455	4,330	125
Total Insurance	<u>69,955</u>	<u>65,088</u>	<u>4,867</u>
Benefits:			
Workman's Comp Insurance	55,380	65,245	(9,865)
Unemployment	10,335	8,356	1,979
Retirement - Group B	58,540	70,125	(11,585)
Health Insurance Premium	158,430	115,130	43,300
Health Insurance Buy-Out	12,935	13,538	(603)
Health Deductible & Co-Pay	9,000	12,217	(3,217)
Dental Insurance	7,275	6,372	903
Health Savings Account	17,500	4,873	12,627
Vision Reimbursements	800	976	(176)
Catamount Assessment	0	47	(47)
VT Healthcare	6,735	2,887	3,848
Disability & Life Insurance	6,920	8,214	(1,294)
Social Security	94,585	91,445	3,140
Miscellaneous	25	0	25
Health Club Reimbursements	125	0	125
Total Benefits	<u>438,585</u>	<u>399,425</u>	<u>39,160</u>
Total Insurance and Benefits	<u>508,540</u>	<u>464,513</u>	<u>44,027</u>
Other :			
Property Purchases	1	0	1
VLCT	10,230	10,231	(1)
Williamstown Taxes	1,960	0	1,960
Washington County Tax	56,940	58,896	(1,956)
Front Porch Forum	500	500	0
Total Other	<u>69,631</u>	<u>69,627</u>	<u>4</u>
Equipment Charges:	<u>20,685</u>	<u>20,685</u>	<u>0</u>
Transfer to Cemetery Fund:	<u>27,750</u>	<u>27,750</u>	<u>0</u>
Total Expenditures	<u>6,804,196</u>	<u>6,827,560</u>	<u>(23,364)</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>\$ (57,200)</u>	34,740	<u>\$ 91,940</u>
Fund Balance - July 1, 2018		<u>3,373,918</u>	
Fund Balance - June 30, 2019		<u>\$ 3,408,658</u>	

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TOWN OF BARRE, VERMONT
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019

	Special Revenue Funds	Permanent Fund Cemetery Trust Fund	Total
<u>ASSETS</u>			
Cash	\$ 480,244	\$ 15,698	\$ 495,942
Investments	0	235,954	235,954
Due from Other Funds	112,187	42,534	154,721
Total Assets	\$ 592,431	\$ 294,186	\$ 886,617
<u>LIABILITIES</u>			
Accounts Payable	\$ 1,905	\$ 0	\$ 1,905
Accrued Payroll	2,011	0	2,011
Total Liabilities	3,916	0	3,916
<u>FUND BALANCES</u>			
Nonspendable	0	224,081	224,081
Restricted	0	70,105	70,105
Committed	46,178	0	46,178
Assigned	542,337	0	542,337
Total Fund Balances	588,515	294,186	882,701
Total Liabilities and Fund Balances	\$ 592,431	\$ 294,186	\$ 886,617

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TOWN OF BARRE, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019

	Special Revenue Funds	Permanent Fund Cemetery Trust Fund	Total
Revenues:			
Charges for Services	\$ 63,242	\$ 522	\$ 63,764
Donations	990	0	990
Investment Income	4,075	15,250	19,325
Total Revenues	<u>68,307</u>	<u>15,772</u>	<u>84,079</u>
Expenditures:			
Cemetery	<u>58,888</u>	<u>1,687</u>	<u>60,575</u>
Total Expenditures	<u>58,888</u>	<u>1,687</u>	<u>60,575</u>
Excess of Revenues Over Expenditures	<u>9,419</u>	<u>14,085</u>	<u>23,504</u>
Other Financing Sources/(Uses):			
Transfers In	40,211	1,140	41,351
Transfers Out	<u>(1,140)</u>	<u>(12,461)</u>	<u>(13,601)</u>
Total Other Financing Sources/(Uses)	<u>39,071</u>	<u>(11,321)</u>	<u>27,750</u>
Net Change in Fund Balances	48,490	2,764	51,254
Fund Balances - July 1, 2018	<u>540,025</u>	<u>291,422</u>	<u>831,447</u>
Fund Balances - June 30, 2019	<u>\$ 588,515</u>	<u>\$ 294,186</u>	<u>\$ 882,701</u>

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TOWN OF BARRE, VERMONT
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2019

	<u>Cemetery Fund</u>	<u>Recreation Fund</u>	<u>Reappraisal Fund</u>	<u>Total</u>
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 480,244	\$ 480,244
Due from Other Funds	<u>50,094</u>	<u>2,052</u>	<u>60,041</u>	<u>112,187</u>
Total Assets	<u>\$ 50,094</u>	<u>\$ 2,052</u>	<u>\$ 540,285</u>	<u>\$ 592,431</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 1,905	\$ 0	\$ 0	\$ 1,905
Accrued Payroll	<u>2,011</u>	<u>0</u>	<u>0</u>	<u>2,011</u>
Total Liabilities	<u>3,916</u>	<u>0</u>	<u>0</u>	<u>3,916</u>
<u>FUND BALANCES</u>				
Committed	46,178	0	0	46,178
Assigned	<u>0</u>	<u>2,052</u>	<u>540,285</u>	<u>542,337</u>
Total Fund Balances	<u>46,178</u>	<u>2,052</u>	<u>540,285</u>	<u>588,515</u>
Total Liabilities and Fund Balances	<u>\$ 50,094</u>	<u>\$ 2,052</u>	<u>\$ 540,285</u>	<u>\$ 592,431</u>

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TOWN OF BARRE, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019

	Cemetery Fund	Recreation Fund	Reappraisal Fund	Total
Revenues:				
Charges for Services	\$ 32,277	\$ 0	\$ 30,965	\$ 63,242
Donations	990	0	0	990
Investment Income	<u>0</u>	<u>0</u>	<u>4,075</u>	<u>4,075</u>
Total Revenues	<u>33,267</u>	<u>0</u>	<u>35,040</u>	<u>68,307</u>
Expenditures:				
Cemetery	<u>58,888</u>	<u>0</u>	<u>0</u>	<u>58,888</u>
Total Expenditures	<u>58,888</u>	<u>0</u>	<u>0</u>	<u>58,888</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>(25,621)</u>	<u>0</u>	<u>35,040</u>	<u>9,419</u>
Other Financing Sources/(Uses):				
Transfers In	40,211	0	0	40,211
Transfers Out	<u>(1,140)</u>	<u>0</u>	<u>0</u>	<u>(1,140)</u>
Total Other Financing Sources//(Uses)	<u>39,071</u>	<u>0</u>	<u>0</u>	<u>39,071</u>
Net Change in Fund Balances	13,450	0	35,040	48,490
Fund Balances - July 1, 2018	<u>32,728</u>	<u>2,052</u>	<u>505,245</u>	<u>540,025</u>
Fund Balances - June 30, 2019	<u>\$ 46,178</u>	<u>\$ 2,052</u>	<u>\$ 540,285</u>	<u>\$ 588,515</u>

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TOWN OF BARRE, VERMONT
 COMBINING SCHEDULE OF FUND NET POSITION
 INTERNAL SERVICE FUNDS
 JUNE 30, 2019

	Equipment Fund	Building Maintenance Fund	Total
<u>ASSETS</u>			
Current Assets:			
Due from Other Funds	\$ 0	\$ 221,182	\$ 221,182
Prepaid Expenses	1,030	0	1,030
Total Current Assets	1,030	221,182	222,212
Noncurrent Assets:			
Capital Assets:			
Buildings and Building Improvements	824,677	481,818	1,306,495
Machinery, Equipment and Vehicles	6,381,907	0	6,381,907
Less: Accumulated Depreciation	(4,404,225)	(156,917)	(4,561,142)
Total Noncurrent Assets	2,802,359	324,901	3,127,260
Total Assets	2,803,389	546,083	3,349,472
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows of Resources Related to the Town's Participation in VMERS			
	43,564	0	43,564
Total Deferred Outflows of Resources	43,564	0	43,564
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	44,564	0	44,564
Accrued Payroll	5,966	0	5,966
Due to Other Funds	278,992	0	278,992
Advance from Other Fund	132,692	0	132,692
Notes Payable - Current Portion	161,759	0	161,759
General Obligation Bonds Payable - Current Portion	35,000	0	35,000
Total Current Liabilities	658,973	0	658,973
Noncurrent Liabilities:			
Compensated Absences Payable	19,756	0	19,756
Net Pension Liability	82,456	0	82,456
Notes Payable - Noncurrent Portion	62,857	0	62,857
General Obligation Bonds Payable - Noncurrent Portion	140,000	0	140,000
Total Noncurrent Liabilities	305,069	0	305,069
Total Liabilities	964,042	0	964,042
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows of Resources Related to the Town's Participation in VMERS			
	2,651	0	2,651
Total Deferred Inflows of Resources	2,651	0	2,651
<u>NET POSITION</u>			
Net Investment in Capital Assets	2,402,743	324,901	2,727,644
Unrestricted/(Deficit)	(522,483)	221,182	(301,301)
Total Net Position	\$ 1,880,260	\$ 546,083	\$ 2,426,343

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TOWN OF BARRE, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019

	Equipment Fund	Building Maintenance Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Operating Revenues:			
Charges for Services	\$ 1,390,044	\$ 59,500	\$ 1,449,544
Other	<u>19,296</u>	<u>1,562</u>	<u>20,858</u>
Total Operating Revenues	<u>1,409,340</u>	<u>61,062</u>	<u>1,470,402</u>
Operating Expenses:			
Salaries and Benefits	245,090	0	245,090
Other Operating Expenses	597,127	8,292	605,419
Depreciation	<u>458,497</u>	<u>23,328</u>	<u>481,825</u>
Total Operating Expenses	<u>1,300,714</u>	<u>31,620</u>	<u>1,332,334</u>
Operating Income	<u>108,626</u>	<u>29,442</u>	<u>138,068</u>
Non-Operating Revenues/(Expenses):			
Gain on Sale of Equipment	65,357	0	65,357
Interest Expense	<u>(16,790)</u>	<u>0</u>	<u>(16,790)</u>
Total Non-Operating Revenues/(Expenses)	<u>48,567</u>	<u>0</u>	<u>48,567</u>
Change in Net Position	157,193	29,442	186,635
Net Position - July 1, 2018	<u>1,723,067</u>	<u>516,641</u>	<u>2,239,708</u>
Net Position - June 30, 2019	<u>\$ 1,880,260</u>	<u>\$ 546,083</u>	<u>\$ 2,426,343</u>

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Montpelier, VT 05601
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Fred Duplessis, CPA
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Chad A. Hewitt, CPA
Wendy C. Gilwee, CPA
VT Lic. #92-000180

Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with "Government Auditing Standards"

Board of Selectmen
Town of Barre
Websterville, Vermont 05678

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, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Barre, Vermont as of and for the year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the Town of Barre, Vermont's basic financial statements and have issued our report thereon dated January 18, 2021. The report on the financial statements was qualified because the Town's internal service activity is not presented in accordance with accounting principles generally accepted in the United States of America. This activity is presented in Internal Service Funds when it would be more appropriate for it to be in the General Fund and a Capital Project Fund. Accordingly, our opinion is qualified for the General Fund and Aggregate Remaining Fund information.

Internal Control Over Financial Reporting

In planning and performing the audit, we considered the Town of Barre, Vermont's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Barre, Vermont's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Barre, Vermont's internal control over financial reporting.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as described in the accompanying Schedule of Findings and Deficiencies in Internal Control, we identified certain deficiencies that we consider to be material weaknesses.

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 Town of Barre, Vermont'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.

We consider the deficiencies described in the accompanying Schedule of Findings and Deficiencies in Internal Control as Items 2019-01 and 2019-02 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Barre, Vermont's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under "Government Auditing Standards".

We also noted certain other matters that we reported to the management of the Town of Barre, Vermont in a separate letter dated January 18, 2021.

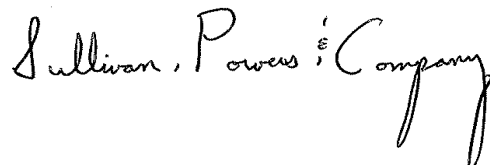
Town of Barre, Vermont's Response to Deficiencies in Internal Control

The Town of Barre, Vermont's response to the deficiencies in internal control identified in our audit is included with the accompanying Schedule of Findings and Deficiencies in Internal Control. The Town of Barre, Vermont's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 Town of Barre, Vermont'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 Town of Barre, Vermont's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

January 18, 2021
Montpelier, Vermont
VT Lic. #92-000180



TOWN OF BARRE, VERMONT
SCHEDULE OF FINDINGS AND DEFICIENCIES IN INTERNAL CONTROL
JUNE 30, 2019

Deficiencies in Internal Control:

Material Weakness:

2019-01 Authorization of General Journal Entries

Criteria:

Internal controls should be in place that requires appropriate individuals to authorize and review all adjustments to the books of original entry. In addition, support for the adjustments should be available for review.

Condition:

The Town does not have a policy in place to require authorization or review of adjustments to the books of original entry or for the adjustments to be supported by appropriate documentation. Journal entries are prepared and entered by the Town's contract accountant without any review or approval by the Town.

Cause:

Unknown.

Effect:

This deficiency in the internal control structure could allow other working control policies to be circumvented.

Recommendation:

We recommend that the Town enact a policy that requires appropriate officials to authorize and review all general journal entries so as not to circumvent the original approval process.

2019-02 Recording Merged Fire District Assets and Liabilities

Criteria:

All assets and liabilities of the Town should be recorded in the general ledger.

Condition:

The assets and liabilities of a Fire District that merged with the Town as of the beginning of the fiscal year were not recorded in the Town's general ledger. While the Town was waiting for amounts from an outside party for capital assets, all other amounts were known and should have been recorded at year end. This included over \$80,000 in a checking account.

TOWN OF BARRE, VERMONT
SCHEDULE OF FINDINGS AND DEFICIENCIES IN INTERNAL CONTROL
JUNE 30, 2019

Cause:

Unknown.

Effect:

Assets, liabilities and net position of the Water District were understated.

Recommendation:

We recommend that all assets and liabilities of the Town be included in the general ledger.



TOWN OF BARRE, VERMONT

OFFICE OF THE TOWN MANAGER

WEBSTERVILLE, VT 05678-0116

TELEPHONE: 802-479-9331

FAX: 802-479-9332

E-MAIL: offices@barretown.org

TOWN MANAGER:

Carl Rogers

crogers@barretown.org

January 29, 2021

Sullivan, Powers and Company
77 Barre Street
P.O. Box 947
Montpelier, VT 05602

Re: June 30, 2019 Audit, Deficiencies

Dear Sullivan, Powers:

2019-01 Authorization of General Journal Entries

We accept your recommendation that the Town adopt a policy that requires appropriate officials to authorize and review all general journal entries so as not to circumvent the original approval process. We will ask the Selectboard to adopt a written policy.

2019-02 Recording Merged Fire District Assets and Liabilities

The Websterville Fire District assets and liabilities have been recorded in the general ledger for fiscal year ending June 30, 2020.

Sincerely,

Carl Rogers
Town Manager

Donna J. Kelty
Town Clerk-Treasurer