

TOWN OF BARRE, VERMONT

AUDIT REPORT

JUNE 30, 2021

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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, 2021, 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 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, 2021, 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, 2021, 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.

Change in Accounting Principles

As described in Note 1 to the financial statements, effective June 30, 2021, the Town implemented GASB Statement No. 84, “Fiduciary Activities”.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management’s Discussion and Analysis on pages 5 through 12, the Schedule of Proportionate Share of the Net Pension Liability on Schedule 1, 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 September 22, 2022 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.

September 22, 2022
Montpelier, Vermont
Vt Lic. #92-000180

Sullivan, Powers & Company

TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

Our discussion and analysis of the Town of Barre, Vermont's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2021. This report should be read in conjunction with the Town's financial statements.

Financial Highlights

- The Town's net position decreased by \$643,323 (2.84%) as a result of this year's operations. Net position of our business-type activities decreased by \$107,116 (2.48%) and net position of our governmental activities decreased by \$536,207 (2.93%).
- In the Town's business-type activities, revenues and transfers were \$4,311,533 while expenses were \$4,418,699. Net position at June 30, 2021 totaled \$4,211,504.
- The cost of all of the Town's programs was \$12,174,866 this year, with no new programs added.
- The General Fund reported a surplus this year of \$527,746.
- The unassigned fund balance for the General Fund was \$3,224,739 as of June 30, 2021. This fund balance may have to be used in the future to eliminate the unrestricted deficits that exist in the Enterprise Funds.
- The Community Development Fund reported a surplus this year of \$330, which resulted in a fund balance of \$390,122 as of June 30, 2021.
- The Construction Fund reported a deficit this year of \$12,587 which resulted in a fund balance of \$334,112.
- The Non-major Funds reported a deficit of \$141,563 because of the Town Wide Reappraisal this year which decreased the cumulative surplus to \$751,485.

Using This Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Exhibits A and B) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start on Exhibit C. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside the government.

Reporting the Town as a Whole

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

TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

These two statements report the Town's net position and changes in them. You can think of the Town's net position – the difference between assets, liabilities and deferred inflows/outflows of resources – as one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Town's property tax base and the condition of the Town's roads, to assess the overall health of the Town.

In the Statement of Net Position and the Statement of Activities, we divide the Town into two kinds of activities:

- Governmental activities – Most of the Town's basic services are reported here, including the police, public safety, highway and streets, sanitation, health and welfare, culture and recreation, equipment and building maintenance, and general administration. Property taxes and state and federal grants finance most of these activities.
- Business-type activities – The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's sewer, water and ambulance activities are reported here.

Reporting the Town's Most Significant Funds

The fund financial statements begin on page 15 and provide detailed information about the most significant funds – not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, the Town Selectboard establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Town's two kinds of funds – governmental and proprietary – use different accounting approaches.

- Governmental funds – Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in Exhibits C and E that are included in the financial statements.
- Proprietary funds – When the Town charges customers for the services it provides – whether to outside customers or to other units of the Town – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

The Town as a Whole

The Town's combined net position decreased by \$643,323 from 2020, decreasing from a balance of \$22,584,453 to \$21,941,130. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Town's governmental and business-type activities.

Table 1
Net Position

	Governmental Activities		Business-type Activities		Total Government	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 6,306,565	\$ 5,660,888	\$ 1,323,397	\$ 1,347,766	\$ 7,629,962	\$ 7,008,654
Capital assets	13,731,830	14,238,321	5,077,057	5,322,948	18,808,887	19,561,269
Total assets	<u>20,038,395</u>	<u>19,899,209</u>	<u>6,400,454</u>	<u>6,670,714</u>	<u>26,438,849</u>	<u>26,569,923</u>
Deferred outflows of resources	583,045	345,034	383,961	220,890	967,006	565,924
Other liabilities	519,498	384,045	378,777	430,262	898,275	814,307
Long term liabilities	2,321,807	1,530,936	2,169,977	2,091,245	4,491,784	3,622,181
Total liabilities	<u>2,841,305</u>	<u>1,914,981</u>	<u>2,548,754</u>	<u>2,521,507</u>	<u>5,390,059</u>	<u>4,436,488</u>
Deferred inflows of resources	<u>50,509</u>	<u>63,429</u>	<u>24,157</u>	<u>51,477</u>	<u>74,666</u>	<u>114,906</u>
Net position:						
Net investment in capital assets	13,129,725	13,897,452	3,855,600	3,918,860	16,985,325	17,816,312
Restricted	682,425	664,037	817,868	778,115	1,500,293	1,442,152
Unrestricted (deficit)	<u>3,917,476</u>	<u>3,704,344</u>	<u>(461,964)</u>	<u>(378,355)</u>	<u>3,455,512</u>	<u>3,325,989</u>
Total net position	<u>\$ 17,729,626</u>	<u>\$ 18,265,833</u>	<u>\$ 4,211,504</u>	<u>\$ 4,318,620</u>	<u>\$ 21,941,130</u>	<u>\$ 22,584,453</u>

Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – changed from a \$3,704,344 surplus at June 30, 2020, to a \$3,917,476 surplus at June 30, 2021 for the governmental activities.

The net position of our business-type activities decreased to \$4,211,504 compared to \$4,318,620 in fiscal year 2020, a \$107,116 or 2.5% decrease. The Sewer Fund had a decrease in net position of \$167,326 while the Water Fund saw a decrease in net position of \$39,406 and the Ambulance Fund saw an increase in net position of \$99,616. Expenses in the Ambulance Fund for depreciation and a portion of the Town's share of the Vermont Municipal Employees' Retirement System's unfunded liability equal \$90,553. Without these two expenses, the Ambulance Fund saw a \$190,169 increase. The Town generally can only use these net positions to finance the continuing operations of the sewer, water, and ambulance operations.

TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
REVENUES						
Program Revenues:						
Charges for Services	\$ 303,176	\$ 209,804	\$ 3,430,649	\$ 3,429,140	\$ 3,733,825	\$ 3,638,944
Operating Grants and Contributions	470,163	283,532	268,121	0	738,284	283,532
Capital Grants and Contributions	0	7,551	50,000	0	50,000	7,551
General Revenues:						
Property Taxes	6,568,356	6,233,573	0	0	6,568,356	6,233,573
Penalty and Interest on Delinquent Taxes	90,322	65,367	0	0	90,322	65,367
General State Grants	270,127	95,332	0	0	270,127	95,332
Unrestricted Investment Earnings	19,809	50,585	16,948	14,994	36,757	65,579
Gain on the Sale of Assets	0	16,006	0	0	0	16,006
Other Revenues	43,872	10,775	0	504,202	43,872	514,977
Total Revenues	7,765,825	6,972,525	3,765,718	3,948,336	11,531,543	10,920,861
EXPENDITURES						
General Government	2,050,405	1,722,359	0	0	2,050,405	1,722,359
Public Safety	1,374,147	1,330,089	0	0	1,374,147	1,330,089
Highways and Streets	3,478,104	2,739,596	0	0	3,478,104	2,739,596
Culture and Recreation	440,218	412,277	0	0	440,218	412,277
Community Development	265,904	70,383	0	0	265,904	70,383
Sanitation	66,659	57,050	0	0	66,659	57,050
Cemetery	74,150	60,587	0	0	74,150	60,587
Interest on Long-Term Debt	6,610	11,896	0	0	6,610	11,896
Water	0	0	641,839	533,738	641,839	533,738
Sewer	0	0	1,264,053	1,203,925	1,264,053	1,203,925
Ambulance	0	0	2,512,777	2,517,462	2,512,777	2,517,462
Total Expenditures	7,756,197	6,404,237	4,418,669	4,255,125	12,174,866	10,659,362
Excess Revenues (Expenses) before Transfers	9,628	568,288	(652,951)	(306,789)	(643,323)	261,499
Transfers	(545,835)	(562,555)	545,835	562,555	0	0
Change in Net Position	\$ (536,207)	\$ 5,733	\$ (107,116)	\$ 255,766	\$ (643,323)	\$ 261,499

Our following analysis separately considers the operations of governmental and business-type activities. To consider only the operating expenses please refer to budget vs actual reports for the year. These reports for the general fund can be found toward the back of the audit report.

TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

Governmental Activities

The decrease in net position for governmental activities was \$536,207 in 2021. Revenues increased by \$793,300 or 11.4%, and expenses increased by \$1,351,960 or 21.1%, compared to 2020.

The cost of all governmental activities this year was \$7,756,197. However, as shown in the Statement of Activities on Exhibit B, the amount that our taxpayers ultimately financed for these activities through Town taxes was \$6,568,356 (+\$334,783 or 5.4%). Some of the cost was paid by those who directly benefited from the programs (\$303,176) or by other governments and organizations that subsidized certain programs with grants and contributions (\$470,163).

Business-type Activities

The business-type activities net position decreased by \$107,116 in 2021. Revenues decreased by \$182,618 or 4.6%, and expenses increased by \$163,544 or 3.8%, compared to 2020.

Table 3 presents the cost of each of the Town's programs as well as each program's net cost (total cost less revenue generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

Table 3
Governmental Activities

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
	2021		2020	
General government	\$ 2,050,405	\$ 1,854,057	\$ 1,722,359	\$ 1,569,170
Public safety	1,374,147	1,312,598	1,330,089	1,279,160
Highways and streets	3,478,104	3,189,066	2,739,596	2,511,449
Culture and recreation	440,218	407,823	412,277	385,454
Community development	265,904	115,904	70,383	70,383
Sanitation	66,659	57,300	57,050	48,056
Cemetery	74,150	39,500	60,587	27,782
Interest on debt	6,610	6,610	11,896	11,896
Totals	<u>\$ 7,756,197</u>	<u>\$ 6,982,858</u>	<u>\$ 6,404,237</u>	<u>\$ 5,903,350</u>

The Town's Funds

As the Town completed the year, its governmental funds (as presented in the Balance Sheet on Exhibit C) reported a combined fund balance of \$5,433,188 which represents an increase of \$373,926 from last year's total of \$5,059,262. Included in this year's total change in fund balance is an increase of \$527,746 in the Town's General Fund, an increase in the Community Development Fund of \$330, a decrease in the Construction Fund of \$12,587 and a decrease of \$141,563 in the other non-major governmental funds.

TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

Schedule 3 compares actual to budget for the General Fund. The most significant variances of actual to budget were as follows:

	Budget	Actual	Favorable (Unfavorable)
Revenues:			
Taxes	\$ 6,745,951	\$ 6,674,072	\$ (71,879)
Intergovernmental Revenue	298,800	560,243	261,443
Charges for Service and Fees	142,205	252,313	110,108
All Other	41,240	71,063	29,823
Total	<u>\$ 7,228,196</u>	<u>\$ 7,557,691</u>	<u>\$ 329,495</u>
Expenditures:			
General Government	\$ 911,850	\$ 900,540	\$ 11,310
Police	942,750	895,937	46,813
Fire	385,605	365,061	20,544
Public Works	3,180,375	2,886,701	293,674
All Other	1,875,816	1,981,706	(105,890)
Total	<u>\$ 7,296,396</u>	<u>\$ 7,029,945</u>	<u>\$ 266,451</u>

The Town municipal government levies and collects all property taxes for: the schools (state education property taxes), the Highway Fund, and the General Fund, which includes voter approved donations and Local Agreement taxes. For FY20-21 the total taxes first billed were \$17,763,027, including revenues billed for the schools. Of this \$6,523,120 was billed for town revenue and voter approved appropriations. The schools and Highway Fund receive the amount of taxes called for in those budgets. The General Fund absorbs the difference in amount collected compared to the amount first billed. In addition to unpaid taxes, the General Fund's collection is affected by the Selectboard's decision to bill less than budgeted to reduce cash reserves, approved Errors and Omissions, recommended by the Assessor, and by Board of Abatement approved reductions in property value caused by fire or other losses. During FY20-21 the General Fund received \$71,879 less in tax revenue (current taxes, delinquent taxes, and interest and fees) than budgeted, which represents 0.4% of the total taxes billed.

The Intergovernmental Revenue category was over budget by \$261,443. The town received \$171,448 in LGER (Local Government Expense Reimbursement) Grant funds related to the COVID-19 pandemic. Expenses associated with those grant fund activities are recorded in the general fund budget. In addition, the state provided an addition \$62,407 in Highway and Street funds, also related to COVID-19.

Revenues in the Charges for Services section were \$110,108 over budget. The Charges for Services category has a wide variety of revenue accounts. Some truly are fees charged for services, such as fees charged at the Town Clerk's Office. The category also includes donation accounts and miscellaneous revenue in the Highway Fund (considered part of the General Fund in these financial statements). The largest actual revenue compared to budget was in the Recording Fees account, which brought in \$77,430 more than budgeted. At \$23,333 miscellaneous revenue to the Recreation Department related to logging activities posted the second highest difference of income in excess of budget. The next four accounts with revenue greater than budgeted totaled \$32,758 to the good. The range was \$4,362 to \$14,810.

TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

On the expense side of the budget equation, General Fund expenses (excluding the Highway Fund) were over budget by \$27,223. Departments in the Public Safety category were over budget \$1,440. The Fire Department actual expenses were under budget by \$20,544. The police department's actual expenses were under budget by \$46,813. Emergency Management's actual expenses were \$68,797 over budget. This added expense was related to installing an emergency generator.

The Culture, Recreation, Development and Transportation section is a combination of the library contribution, recreation division, Barre Area Development contribution, Green Mountain Transit contribution and contributions to several other organizations. This section was over budget by \$63,136 which includes an unbudgeted but voter approved contribution to Barre Area Development for \$39,600. The remaining overage is largely due to capital improvements in Recreation.

The Highway budget has eight departments. The expenses for these eight departments totaled \$293,674 under budget. Summer Maintenance had the greatest variance; it was \$213,275 under budget. The second largest variance was Winter Maintenance which was \$89,147 under budget and third highest variance in the Highway budget was Retreatment; \$27,956 over budget. Employee benefits were \$18,432 under budget and had the fourth highest variance.

Variances in the straight-time wage accounts and town equipment accounts in the various departments offset each other. Variances in those accounts mean more or less time was spent on activities then estimated.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2021, the Town had \$18,808,887 invested in a broad range of capital assets, including police, ambulance and fire equipment, buildings and water and sewer lines, net of accumulated depreciation. (See Table 4 below). This amount represents a net decrease (including additions, disposals and depreciation) of \$752,382 from last year.

Table 4
Capital Assets at Year-End
(Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 2,597,698	\$ 2,574,911	\$ 2,700	\$ 2,700	\$ 2,600,398	\$ 2,577,611
Construction in Progress	183,872	183,872	0	0	183,872	183,872
Water/Sewer Lines	0	0	9,964,375	9,953,278	9,964,375	9,953,278
Buildings & Building Improvements	2,406,189	2,377,060	567,181	567,181	2,973,370	2,944,241
Equipment and Vehicles	9,415,775	8,988,666	1,279,111	1,293,950	10,694,886	10,282,616
Infrastructure	16,071,241	16,071,241	0	0	16,071,241	16,071,241
Sewer Capacity Rights	0	0	279,969	279,969	279,969	279,969
Accumulated Depreciation	(16,942,945)	(15,957,429)	(7,016,279)	(6,774,130)	(23,959,224)	(22,731,559)
Total	\$ 13,731,830	\$ 14,238,321	\$ 5,077,057	\$ 5,322,948	\$ 18,808,887	\$ 19,561,269

TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

Debt Administration

At June 30, 2021, the Town had \$1,823,561 in bonds and capital leases outstanding versus \$1,730,121, on June 30, 2020 – an increase of \$93,440 – as shown in Table 5.

Table 5
Outstanding Debt at Year-End

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
General Obligation Bonds	\$ 105,000	\$ 150,000	\$ 488,024	\$ 509,910	\$ 593,024	\$ 659,910
Other Loans Payable	0	0	567,826	658,394	567,826	658,394
Capital Leases Payable	497,104	190,868	165,607	220,949	662,711	411,817
Total	<u>\$ 602,104</u>	<u>\$ 340,868</u>	<u>\$ 1,221,457</u>	<u>\$ 1,389,253</u>	<u>\$ 1,823,561</u>	<u>\$ 1,730,121</u>

Economic Factors and Next Year's Budgets and Rates

The Town's elected and appointed officials consider many factors when setting the fiscal year 2021 budget, tax rates, and fees.

When adopting the budget for the 2021-2022 year, the Selectboard took into account operational and capital needs of the Town, and the impact of spending on the tax rate. Investment in recreation facilities, buildings and roads continued. The budgets for building improvements and road paving were in-line with calculated necessary annual amounts.

The Town budgeted no change in fund balance for the fiscal year ending June 30, 2022.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Manager at Town of Barre, Websterville, Vermont, 05678-0116.

TOWN OF BARRE, VERMONT
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 1,365,179	\$ 83,152	\$ 1,448,331
Investments	4,427,290	319,158	4,746,448
Receivables (Net of Allowance for Uncollectibles)	585,241	350,767	936,008
Loans Receivable	29,604	0	29,604
Internal Balances	(550,351)	550,351	0
Prepaid Expenses	54,483	19,969	74,452
Land Held for Sale	395,119	0	395,119
Capital Assets:		0	0
Land	2,597,698	2,700	2,600,398
Construction in Progress	183,872	0	183,872
Other Capital Assets, (Net of Accumulated Depreciation)	10,950,260	5,074,357	16,024,617
 Total Assets	 20,038,395	 6,400,454	 26,438,849
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows of Resources Related to the Town's Participation in VMERS	583,045	383,961	967,006
 Total Deferred Outflows of Resources	 583,045	 383,961	 967,006
<u>LIABILITIES</u>			
Accounts Payable	382,481	341,318	723,799
Accrued Payroll and Benefits Payable	59,067	30,687	89,754
Deposits	73,402	0	73,402
Accrued Interest Payable	4,548	6,772	11,320
Noncurrent Liabilities:			
Due within One Year	236,944	137,770	374,714
Due in More than One Year	2,084,863	2,032,207	4,117,070
 Total Liabilities	 2,841,305	 2,548,754	 5,390,059
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Prepaid Property Taxes	8,121	0	8,121
Deferred Inflows of Resources Related to the Town's Participation in VMERS	42,388	24,157	66,545
 Total Deferred Inflows of Resources	 50,509	 24,157	 74,666
<u>NET POSITION</u>			
Net Investment in Capital Assets	13,129,725	3,855,600	16,985,325
Restricted:			
Non-Expendable:			
Cemetery Trust	239,924	0	239,924
Expendable:			
Records Restoration	30,672	0	30,672
Community Development	24,607	0	24,607
Bike Path	321,931	0	321,931
Cemetery	65,291	0	65,291
Sewer Improvements	0	817,868	817,868
Unrestricted/(Deficit)	3,917,476	(461,964)	3,455,512
 Total Net Position	 \$ 17,729,626	 \$ 4,211,504	 \$ 21,941,130

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

TOWN OF BARRE, VERMONT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	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	\$ 2,050,405	\$ 192,679	\$ 3,669	\$ 0	\$ (1,854,057)	\$ 0	\$ (1,854,057)
Public Safety	1,374,147	36,938	24,611	0	(1,312,598)	0	(1,312,598)
Highways and Streets	3,478,104	25,756	263,282	0	(3,189,066)	0	(3,189,066)
Culture and Recreation	440,218	4,450	27,945	0	(407,823)	0	(407,823)
Community Development	265,904	0	150,000	0	(115,904)	0	(115,904)
Sanitation	66,659	9,359	0	0	(57,300)	0	(57,300)
Cemetery	74,150	33,994	656	0	(39,500)	0	(39,500)
Interest on Long-term Debt	6,610	0	0	0	(6,610)	0	(6,610)
Total Governmental Activities	7,756,197	303,176	470,163	0	(6,982,858)	0	(6,982,858)
Business-type Activities:							
Water	641,839	552,433	0	50,000	0	(39,406)	(39,406)
Sewer	1,264,053	1,079,779	0	0	0	(184,274)	(184,274)
Ambulance	2,512,777	1,798,437	268,121	0	0	(446,219)	(446,219)
Total Business-type Activities	4,418,669	3,430,649	268,121	50,000	0	(669,899)	(669,899)
Total Primary Government	\$ 12,174,866	\$ 3,733,825	\$ 738,284	\$ 50,000	(6,982,858)	(669,899)	(7,652,757)
General Revenues:							
Property Taxes					6,568,356	0	6,568,356
Penalties and Interest on Delinquent Taxes					90,322	0	90,322
General State Grants					270,127	0	270,127
Unrestricted Investment Earnings					19,809	16,948	36,757
Other Revenues					43,872	0	43,872
Transfers In/(Out):					(545,835)	545,835	0
Total General Revenues and Transfers					6,446,651	562,783	7,009,434
Change in Net Position					(536,207)	(107,116)	(643,323)
Net Position - July 1, 2020					18,265,833	4,318,620	22,584,453
Net Position - June 30, 2021					\$ 17,729,626	\$ 4,211,504	\$ 21,941,130

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

TOWN OF BARRE, VERMONT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Community Development Fund	Construction Fund	Non-Major Governmental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 670,085	\$ 368,445	\$ 0	\$ 326,649	\$ 1,365,179
Investments	3,491,263	0	491,288	444,739	4,427,290
Receivables (Net of Allowance for Uncollectibles)	585,241	0	0	0	585,241
Loans Receivable (Net of Allowance for Uncollectibles)	0	29,604	0	0	29,604
Due from Other Funds	38,548	0	0	104,987	143,535
Advance to Other Fund	79,616	0	0	0	79,616
Prepaid Items	50,676	0	0	0	50,676
Land Held for Sale	0	395,119	0	0	395,119
Total Assets	\$ <u>4,915,429</u>	\$ <u>793,168</u>	\$ <u>491,288</u>	\$ <u>876,375</u>	\$ <u>7,076,260</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 305,629	\$ 47	\$ 30	\$ 25,984	\$ 331,690
Accrued Payroll and Benefits Payable	53,348	0	0	1,362	54,710
Refundable Deposits	73,402	0	0	0	73,402
Due to Other Funds	0	373,395	157,145	97,544	628,084
Total Liabilities	<u>432,379</u>	<u>373,442</u>	<u>157,175</u>	<u>124,890</u>	<u>1,087,886</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Prepaid Property Taxes	8,121	0	0	0	8,121
Unavailable Property Taxes, Penalties and Interest	517,461	0	0	0	517,461
Unavailable Loans Receivable	0	29,604	0	0	29,604
Total Deferred Inflows of Resources	<u>525,582</u>	<u>29,604</u>	<u>0</u>	<u>0</u>	<u>555,186</u>
<u>FUND BALANCES</u>					
Nonspendable	677,881	395,119	0	239,924	1,312,924
Restricted	30,672	0	321,931	65,291	417,894
Committed	0	0	0	47,058	47,058
Assigned	24,536	0	12,182	399,212	435,930
Unassigned/(Deficit)	<u>3,224,379</u>	<u>(4,997)</u>	<u>0</u>	<u>0</u>	<u>3,219,382</u>
Total Fund Balances	<u>3,957,468</u>	<u>390,122</u>	<u>334,113</u>	<u>751,485</u>	<u>5,433,188</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u>4,915,429</u>	\$ <u>793,168</u>	\$ <u>491,288</u>	\$ <u>876,375</u>	
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.					10,298,432
Other Assets are not Available to Pay for Current-Period Expenditures, and, Therefore, are Deferred in the Funds.					547,065
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.					2,695,868
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.					(1,716,980)
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.					<u>472,053</u>
Net Position of Governmental Activities					\$ <u>17,729,626</u>

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, 2021

	General Fund	Community Development Fund	Construction Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues:					
Property Taxes	\$ 6,583,750	\$ 0	\$ 0	\$ 0	\$ 6,583,750
Penalties and Interest on Delinquent Taxes	90,322	0	0	0	90,322
Intergovernmental	560,243	150,000	0	0	710,243
Charges for Services	228,730	0	0	65,180	293,910
Licenses and Permits	17,530	0	0	0	17,530
Loan Repayments	10,000	0	0	0	10,000
Loan Interest Income	10,297	0	0	0	10,297
Investment Income	0	481	202	8,665	9,348
Donations	23,583	0	0	656	24,239
Other	33,236	800	0	0	34,036
Total Revenues	<u>7,557,691</u>	<u>151,281</u>	<u>202</u>	<u>74,501</u>	<u>7,783,675</u>
Expenditures:					
General Government	1,541,625	951	0	170,884	1,713,460
Public Safety	1,268,130	0	0	0	1,268,130
Highways and Streets	2,854,303	0	1,702	0	2,856,005
Culture and Recreation	403,080	0	0	0	403,080
Community Development	115,904	150,000	0	0	265,904
Sanitation	66,659	0	0	0	66,659
Cemetery	0	0	0	74,150	74,150
Capital Outlay:					
General Government	177,925	0	0	0	177,925
Highways and Streets	0	0	22,787	0	22,787
Public Safety	43,600	0	0	0	43,600
Culture and Recreation	83,597	0	0	0	83,597
Debt Service:					
Principal	44,157	0	0	0	44,157
Interest	970	0	0	0	970
Total Expenditures	<u>6,599,950</u>	<u>150,951</u>	<u>24,489</u>	<u>245,034</u>	<u>7,020,424</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>957,741</u>	<u>330</u>	<u>(24,287)</u>	<u>(170,533)</u>	<u>763,251</u>
Other Financing Sources/(Uses):					
Lease Proceeds	156,510	0	0	0	156,510
Transfers In	0	0	11,700	43,132	54,832
Transfers Out	(586,505)	0	0	(14,162)	(600,667)
Total Other Financing Sources/(Uses)	<u>(429,995)</u>	<u>0</u>	<u>11,700</u>	<u>28,970</u>	<u>(389,325)</u>
Net Change in Fund Balances	527,746	330	(12,587)	(141,563)	373,926
Fund Balances - July 1, 2020	<u>3,429,722</u>	<u>389,792</u>	<u>346,700</u>	<u>893,048</u>	<u>5,059,262</u>
Fund Balances - June 30, 2021	<u>\$ 3,957,468</u>	<u>\$ 390,122</u>	<u>\$ 334,113</u>	<u>\$ 751,485</u>	<u>\$ 5,433,188</u>

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, 2021

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)	\$ 373,926
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets (\$327,909) is allocated over their estimated useful lives and reported as depreciation expense (\$957,828). This is the amount by which capital outlay exceeded depreciation in the current period.	(629,919)
The issuance of long-term debt (\$156,510) (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt (\$44,157) 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.	(112,353)
The issuance of loans receivable (\$8,360) consumes current financial resources of governmental funds, while the repayment of the principal of loans receivable (\$10,816) 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.	(2,456)
Governmental funds report employer pension contributions as expenditures (\$115,282). However, in the statement of activities, the cost of pension benefits earned net of employee contributions (\$323,359) is reported as pension expense. This amount is the net effect of the differences in the treatment of pension expense.	(208,077)
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.	97,304
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(15,394)
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>(39,238)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ (536,207)</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, 2021

	Enterprise Funds				Internal Service Funds
	Water Fund	Sewer Fund	Ambulance Fund	Total	
<u>ASSETS</u>					
Current Assets:					
Cash and Cash Equivalents	\$ 83,152	\$ 0	\$ 0	\$ 83,152	\$ 0
Investments	0	319,158	0	319,158	0
Receivables (Net of Allowance for Uncollectibles)	176,295	168,517	5,955	350,767	0
Due from Other Funds	0	868,142	162,133	1,030,275	248,004
Prepaid Expenses	1,830	2,651	15,488	19,969	3,807
Total Current Assets	261,277	1,358,468	183,576	1,803,321	251,811
Noncurrent Assets:					
Capital Assets:					
Land	2,700	0	0	2,700	0
Buildings and Building Improvements	173,797	170,153	234,328	578,278	1,373,748
Machinery, Equipment and Vehicles	466,021	366,109	446,981	1,279,111	7,110,559
Distribution and Collection Systems	3,405,907	6,547,372	0	9,953,279	0
Capacity Rights	0	279,969	0	279,969	0
Less: Accumulated Depreciation	(1,824,785)	(4,770,132)	(421,363)	(7,016,280)	(5,050,909)
Total Noncurrent Assets	2,223,640	2,593,471	259,946	5,077,057	3,433,398
Total Assets	2,484,917	3,951,939	443,522	6,880,378	3,685,209
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Deferred Outflows of Resources Related to the Town's Participation in VMERS	0	0	383,961	383,961	73,209
Total Deferred Outflows of Resources	0	0	383,961	383,961	73,209
<u>LIABILITIES</u>					
Current Liabilities:					
Accounts Payable	8,411	318,727	14,180	341,318	50,791
Accrued Payroll and Benefits Payable	1,546	3,681	25,460	30,687	4,357
Due to Other Funds	479,924	0	0	479,924	313,806
Accrued Interest Payable	5,179	1,593	0	6,772	0
Advance from Other Fund	0	0	0	0	79,616
Notes and Leases Payable - Current Portion	22,804	28,181	26,418	77,403	138,762
General Obligation Bonds Payable - Current Portion	22,685	36,250	0	58,935	35,000
Total Current Liabilities	540,549	388,432	66,058	995,039	622,332
Noncurrent Liabilities:					
Compensated Absences Payable	0	10,348	81,921	92,269	25,612
Net Pension Liability	0	0	856,251	856,251	163,259
Notes and Leases Payable - Noncurrent Portion	454,397	31,755	79,253	565,405	176,741
General Obligation Bonds Payable - Noncurrent Portion	465,339	54,375	0	519,714	70,000
Total Noncurrent Liabilities	919,736	96,478	1,017,425	2,033,639	435,612
Total Liabilities	1,460,285	484,910	1,083,483	3,028,678	1,057,944
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Inflows of Resources Related to the Town's Participation in VMERS	0	0	24,157	24,157	4,606
Total Deferred Inflows of Resources	0	0	24,157	24,157	4,606
<u>NET POSITION</u>					
Net Investment in Capital Assets	1,258,415	2,442,910	154,275	3,855,600	3,012,895
Restricted	0	817,868	0	817,868	0
Unrestricted/(Deficit)	(233,783)	206,251	(434,432)	(461,964)	(317,027)
Total Net Position/(Deficit)	\$ 1,024,632	\$ 3,467,029	\$ (280,157)	\$ 4,211,504	\$ 2,695,868

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, 2021

	Enterprise Funds				Internal Service Funds
	Water Fund	Sewer Fund	Ambulance Fund	Total	
Operating Revenues:					
Charges for Services	\$ 532,330	\$ 994,309	\$ 1,798,102	\$ 3,324,741	\$ 1,437,989
Interest and Penalties	20,103	34,870	0	54,973	0
Other	0	50,600	335	50,935	11,939
Total Operating Revenues	552,433	1,079,779	1,798,437	3,430,649	1,449,928
Operating Expenses:					
Salaries and Benefits	153,108	151,357	1,960,380	2,264,845	324,550
Other Operating Expenses	378,774	986,801	523,571	1,889,146	473,444
Depreciation	87,429	125,895	28,826	242,150	492,867
Total Operating Expenses	619,311	1,264,053	2,512,777	4,396,141	1,290,861
Operating Income/(Loss)	(66,878)	(184,274)	(714,340)	(965,492)	159,067
Non-Operating Revenues/(Expenses):					
Investment Income	0	16,948	0	16,948	0
Federal Grant	0	0	268,121	268,121	0
Interest Expense	(22,528)	0	0	(22,528)	(5,640)
Loss on Sale of Equipment	0	0	0	0	(56,123)
Total Non-Operating Revenues/(Expenses)	(22,528)	16,948	268,121	262,541	(61,763)
Net Income Before Capital Contributions and Transfers	(89,406)	(167,326)	(446,219)	(702,951)	97,304
Capital Contributions and Transfers:					
Debt Forgiveness - SERF Loan	50,000	0	0	50,000	0
Transfers In	0	0	545,835	545,835	0
Total Capital Contributions and Transfers	50,000	0	545,835	595,835	0
Change in Net Position	(39,406)	(167,326)	99,616	(107,116)	97,304
Net Position/(Deficit) - July 1, 2020	1,064,038	3,634,355	(379,773)	4,318,620	2,598,564
Net Position/(Deficit) - June 30, 2021	\$ 1,024,632	\$ 3,467,029	\$ (280,157)	\$ 4,211,504	\$ 2,695,868

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, 2021

	Enterprise Funds				Internal Service Funds
	Water Fund	Sewer Fund	Ambulance Fund	Total	
Cash Flows From Operating Activities:					
Receipts from Customers and Users	\$ 562,258	\$ 1,038,644	\$ 1,986,751	\$ 3,587,653	\$ 1,437,989
Other Cash Receipts	0	50,600	335	50,935	11,939
Payments for Goods and Services	(403,952)	(998,255)	(528,716)	(1,930,923)	(472,719)
Payments for Wages and Benefits	(153,369)	(150,666)	(1,900,671)	(2,204,706)	(290,053)
Net Cash Provided/(Used) by Operating Activities	4,937	(59,677)	(442,301)	(497,041)	687,156
Cash Flows From Noncapital Financing Activities:					
Federal Grants	0	0	268,121	268,121	0
Transfers Received from Other Funds	0	0	545,835	545,835	0
Decrease/(Increase) in Due from Other Funds	72,690	106,190	(345,240)	(166,360)	(144,555)
(Decrease)/Increase in Due to Other Funds	0	0	0	0	(13,418)
Net Cash Provided/(Used) by Noncapital Financing Activities	72,690	106,190	468,716	647,596	(157,973)
Cash Flows From Capital and Related Financing Activities:					
Proceeds from Sale of Equipment	0	0	0	0	102,490
Acquisition and Construction of Capital Assets	(11,097)	0	0	(11,097)	(774,908)
Proceeds from Long-term Debt	0	0	0	0	335,415
Principal Paid on Bonds, Notes and Leases	(44,329)	(66,333)	(26,415)	(137,077)	(186,531)
Interest Paid on Bonds, Notes and Leases	(22,527)	0	0	(22,527)	(5,649)
Net Cash Provided/(Used) by Capital and Related Financing Activities	(77,953)	(66,333)	(26,415)	(170,701)	(529,183)
Cash Flows From Investing Activities:					
Additions to Investments	0	(2,036)	0	(2,036)	0
Receipt of Interest and Dividends	0	16,948	0	16,948	0
Net Cash Provided by Investing Activities	0	14,912	0	14,912	0
Net Increase/(Decrease) in Cash	(326)	(4,908)	0	(5,234)	0
Cash - July 1, 2020	83,478	4,908	0	88,386	0
Cash - June 30, 2021	\$ 83,152	\$ 0	\$ 0	\$ 83,152	\$ 0
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:					
Operating Income/(Loss)	\$ (66,878)	\$ (184,274)	\$ (714,340)	\$ (965,492)	\$ 159,067
Depreciation	87,429	125,895	28,826	242,150	492,867
(Increase)/Decrease in Receivables	9,825	9,465	188,649	207,939	0
(Increase)/Decrease in Prepaid Expenses	(324)	(639)	(164)	(1,127)	(2,746)
(Increase)/Decrease in Deferred Outflows of Resources Related to the Town's Participation in VMERS	0	0	(163,071)	(163,071)	(31,925)
Increase/(Decrease) in Accounts Payable	(24,854)	(10,815)	(4,981)	(40,650)	3,471
Increase/(Decrease) in Accrued Payroll and Benefits Payable	(261)	2,191	(12,764)	(10,834)	223
Increase/(Decrease) in Compensated Absences Payable	0	(1,500)	10,746	9,246	(3,270)
Increase/(Decrease) in Net Pension Liability	0	0	252,118	252,118	67,114
Increase/(Decrease) in Deferred Inflows of Resources Related to the Town's Participation in VMERS	0	0	(27,320)	(27,320)	2,355
Net Cash Provided/(Used) by Operating Activities	\$ 4,937	\$ (59,677)	\$ (442,301)	\$ (497,041)	\$ 687,156

The Water Fund had debt forgiven that it had assumed in 2019 from the merger of the Websterville Fire District of \$50,000. The Equipment Fund sold assets with a cost and accumulated depreciation of \$623,791 and \$465,178, respectively.

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

TOWN OF BARRE, VERMONT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2021

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash	\$ 9,718
Investments	<u>4,061</u>
Total Assets	<u>13,779</u>
<u>LIABILITIES</u>	
Liabilities	<u>0</u>
<u>NET POSITION</u>	
Restricted	<u>13,779</u>
Total Net Position	\$ <u><u>13,779</u></u>

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

TOWN OF BARRE, VERMONT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Custodial Funds</u>
<u>ADDITIONS</u>	
Education Taxes Collected for Other Governments	\$ 9,461,496
Donations Collected for the Other Organizations	2,787
Investment Income Collected for Other Organizations	<u>21</u>
Total Additions	<u>9,464,304</u>
<u>DEDUCTIONS</u>	
Education Taxes Distributed to Other Governments	9,461,496
Donations Distributed for Other Organizations	<u>3,135</u>
Total Deductions	<u>9,464,631</u>
Change in Net Position	(327)
Net Position - July 1, 2020, As Restated	<u>14,106</u>
Net Position - June 30, 2021	\$ <u><u>13,779</u></u>

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

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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, 2021

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, 2021

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.

Additionally the Town reports the following:

Custodial Funds are used to report resources held by the Town in a purely custodial capacity for other governments, private organizations or individuals.

Internal service funds should be 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. 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. The Building Maintenance Fund does not provide any goods or services and is accumulating a significant fund balance. The Equipment Fund has a significant deficit in unrestricted net position indicating that its charges to other funds may be insufficient.

Measurement Focus

The accounting and financial reporting applied to a fund is determined by its measurement focus. Government-wide, proprietary and fiduciary 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, 2021

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 amounts. 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, fiduciary 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, 2021

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, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued Compensated Absences

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

Governmental 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 governmental 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, 2021

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, 2021

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.

New Pronouncement – Fiduciary Activities

Effective June 30, 2021, the Town implemented GASB Statement No. 84, “Fiduciary Activities”. GASB Statement No. 84 establishes specific criteria for identifying activities that should be reported as fiduciary activities to enhance the consistency and comparability of fiduciary activity reporting by state and local governments. This required moving certain items previously recorded through General Fund liability accounts to newly established custodial funds that reports additions and deductions for these activities. The collection and remittance of education taxes on behalf of other governments and the collection and remittance of donations on behalf of the area Organization are now presented in Custodial Funds. As a result of this required change in accounting principle, the Town recognized a \$14,106 increase in beginning net position of the Fiduciary Funds.

In addition, the Section 125 assets and liabilities are now recorded as part of the General Fund. This change had no effect on fund balance/net position.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The Town budgeted a current year’s deficiency in the General Fund of \$68,200 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.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – CASH AND INVESTMENTS

The Town's cash and investments as of June 30, 2021 are as follows:

Cash:

Cash on Hand	\$ 295
Deposits with Financial Institutions	<u>1,457,754</u>
Total Cash	<u>1,458,049</u>

Investments:

Certificates of Deposit	1,442,114
Municipal Bonds	444,729
Deposits with Investment Company	90,913
Unit Trusts	23,441
Repurchase Agreements (U.S. Treasury Notes)	<u>2,749,312</u>

Total Investments	<u>4,750,509</u>
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Total Cash and Investments	<u>\$6,208,558</u>
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The Town has eight (8) certificates of deposit with interest rates from .05% to .3%. The certificates of deposit mature in the following fiscal year.

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.

<u>Investment Type</u>	<u>Less than 1 Year</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>	<u>After 10 Years</u>	<u>Total</u>
Municipal Bonds	\$ <u>15,304</u>	\$ <u>135,548</u>	\$ <u>91,340</u>	\$ <u>202,537</u>	\$ <u>444,729</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – CASH AND INVESTMENTS – (Continued)

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, 2021. 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.

Investment Type	S&P AAA	S&P AA-or Higher	Moody's Aa3 or Higher	S&P A-or Higher	Moody's A3 to A1	Unrated	Total
Municipal Bonds	\$ 21,290	\$ 229,730	\$ 26,789	\$ 134,288	\$ 30,862	\$ 1,770	\$ 444,729
Unit Trusts	0	0	0	0	0	23,441	23,441
	<u>\$ 21,290</u>	<u>\$ 229,730</u>	<u>\$ 26,789</u>	<u>\$ 134,288</u>	<u>\$ 30,862</u>	<u>\$ 25,211</u>	<u>\$ 468,170</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.

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.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

	<u>Book Balance</u>	<u>Bank Balance</u>
Insured by FDIC/SIPC	\$ 1,377,540	\$ 1,433,837
Insured by Standby Letters of Credit	1,223,307	1,223,307
Uninsured, Collateralized by U.S. Government Securities Held by the Bank's Trust Department with a Security Interest Granted to the Town	389,934	389,934
Uninsured, Uncollateralized	<u>0</u>	<u>27,799</u>
Total Deposits	<u>\$ 2,990,781</u>	<u>\$ 3,074,877</u>

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, 2021 for the Town's investments is as follows:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by Fair Value Level:				
Debt Securities:				
Municipal Bonds	\$ 444,729	\$ 444,729	\$ 0	\$ 0
Fixed Income Unit Trusts	<u>23,441</u>	<u>23,441</u>	<u>0</u>	<u>0</u>
Total Investments by Fair Value Level	<u>\$ 468,170</u>	<u>\$ 468,170</u>	<u>\$ 0</u>	<u>\$ 0</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 - RECEIVABLES

Receivables and the allowance for uncollectible accounts as of June 30, 2021 are as follows:

	<u>Receivables</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivables</u>
General Fund:			
Delinquent taxes receivable	\$ 428,411	\$ (25,000)	\$ 403,411
Penalties, interest and collection fees on delinquent taxes	127,638	(8,000)	119,638
Miscellaneous receivables	76,192	(14,000)	62,192
	<u>\$ 632,241</u>	<u>\$ (47,000)</u>	<u>\$ 585,241</u>

	<u>Receivables</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivables</u>
Enterprise Funds			
Water Fund			
Accounts receivable	\$ 164,723	\$ 0	\$ 164,723
Penalties and interest receivable	11,572	0	11,572
Sewer Fund			
Accounts receivable	118,815	0	118,815
Penalties and interest receivable	49,702	0	49,702
Ambulance Fund			
Accounts receivable	343,265	(337,310)	5,955
Net Receivables	<u>\$ 688,077</u>	<u>\$ (337,310)</u>	<u>\$ 350,767</u>

NOTE 5 – LOANS RECEIVABLE

Loans receivable consist of the following at June 30, 2021:

Community Development Fund:	
Vermont Housing Rehabilitation Program and Vermont Community Improvement Grant, Interest at 0 to 6%.	\$ <u>29,604</u>
Total loans receivables at June 30, 2021	29,604
Due within one year	<u>(1,000)</u>
Due after one year	<u>\$ 28,604</u>
Governmental Activities:	
Community Development Fund Notes Receivable	<u>29,604</u>
Net Loans Receivable	<u>\$ 29,604</u>

TOWN OF BARRE, VERMONT
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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.

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, 2021 were:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Governmental funds:		
General Fund	\$ 38,548	\$ 0
Community Development Fund	<u>0</u>	<u>373,395</u>
Construction Fund	<u>0</u>	<u>157,145</u>
Other governmental funds:		
Cemetery Fund	50,242	0
Recreation Fund	2,052	0
Reappraisal Fund	0	97,544
Cemetery Trust Fund	<u>52,693</u>	<u>0</u>
Total other governmental funds	<u>104,987</u>	<u>97,544</u>
	<u>143,535</u>	<u>628,084</u>
Proprietary funds:		
Water Fund	0	479,924
Sewer Fund	868,142	0
Ambulance Fund	<u>162,133</u>	<u>0</u>
Total Proprietary funds	<u>1,030,275</u>	<u>479,924</u>
Internal service funds:		
Equipment Fund	0	313,806
Building Maintenance Fund	<u>248,004</u>	<u>0</u>
Total Internal service funds	<u>248,004</u>	<u>313,806</u>
 Total	 <u>\$ 1,421,814</u>	 <u>\$ 1,421,814</u>

In addition, the General Fund advanced \$132,692 to the Equipment Fund in 2019 to finance the purchase of a loader. The advance is being paid back over five (5) years at 0% interest. The balance at June 30, 2021 was \$79,616.

TOWN OF BARRE, VERMONT
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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 and the amount used for operations in the Cemetery Fund. Interfund transfers for the year ended June 30, 2021 are as follows:

		Transfers from			
		General Fund	Cemetery Trust Fund	Cemetery Fund	Totals
Transfers to	Ambulance Fund	\$ 545,835	\$ 0	\$ 0	\$ 545,835
	Cemetery Fund	28,970	10,458	0	39,428
	Cemetery Trust Fund	0	0	3,704	3,704
	Construction Fund	11,700	0	0	11,700
Total		<u>\$ 586,505</u>	<u>\$ 10,458</u>	<u>\$ 3,704</u>	<u>\$ 600,667</u>

NOTE 7 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance June 30, 2020	Additions	Disposals	Balance June 30, 2021
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,574,911	\$ 22,787	\$ 0	\$ 2,597,698
Construction in Process	183,872	0	0	183,872
Total Capital Assets, Not Being Depreciated	<u>2,758,783</u>	<u>22,787</u>	<u>0</u>	<u>2,781,570</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	2,377,060	29,129	0	2,406,189
Equipment and Vehicles	8,988,666	1,050,900	623,791	9,415,775
Infrastructure	16,071,241	0	0	16,071,241
Total capital assets being depreciated	<u>27,436,967</u>	<u>1,080,029</u>	<u>623,791</u>	<u>27,893,205</u>
Less accumulated depreciation for:				
Buildings and Building Improvements	(991,188)	(67,435)	0	(1,058,623)
Equipment and Vehicles	(5,804,002)	(552,221)	465,178	(5,891,045)
Infrastructure	(9,162,239)	(831,038)	0	(9,993,277)
Total accumulated depreciation	<u>(15,957,429)</u>	<u>(1,450,694)</u>	<u>465,178</u>	<u>(16,942,945)</u>
Governmental Activities Capital Assets, Net	<u>\$ 14,238,321</u>	<u>\$ (347,878)</u>	<u>\$ 158,613</u>	<u>\$ 13,731,830</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – CAPITAL ASSETS – (Continued)

	Beginning June 30, 2020	Additions	Disposals	Ending June 30, 2021
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,700	\$ 0	\$ 0	\$ 2,700
Total Capital Assets, Not Being Depreciated	<u>2,700</u>	<u>0</u>	<u>0</u>	<u>2,700</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	567,181	0	0	567,181
Utility Systems	9,953,278	11,097	0	9,964,375
Sewer Capacity Rights	279,969	0	0	279,969
Equipment and Vehicles	1,279,111	0	0	1,279,111
Total Capital Assets, Being Depreciated	<u>12,079,539</u>	<u>11,097</u>	<u>0</u>	<u>12,090,636</u>
Less accumulated depreciation for:				
Buildings and Building Improvements	(372,378)	(6,896)	0	(379,274)
Utility Systems	(5,755,331)	(167,771)	0	(5,923,102)
Sewer Capacity Rights	(41,881)	(5,348)	0	(47,229)
Equipment and Vehicles	(604,540)	(62,134)	0	(666,674)
Total accumulated depreciation	<u>(6,774,130)</u>	<u>(242,149)</u>	<u>0</u>	<u>(7,016,279)</u>
Business-type Activities Capital Assets - Net	<u>\$ 5,308,109</u>	<u>\$ (231,052)</u>	<u>\$ 0</u>	<u>\$ 5,077,057</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 89,630
Public safety	106,017
Highway and streets	1,217,910
Recreation	<u>37,138</u>
Total Governmental Activities depreciation expense	<u>\$ 1,450,695</u>
Business-type activities:	
Water	\$ 87,429
Sewer	125,895
Ambulance	<u>28,826</u>
Total Business-Type Activities depreciation expense	<u>\$ 242,150</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
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JUNE 30, 2021

NOTE 8 – DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources in the Governmental Activities consists of \$127,819 from the difference between the expected and actual experience, \$1,759 from the difference between employer contributions and proportionate share of contributions, \$191,472 from changes in assumptions and \$135,739 from the difference between the projected and actual investment earnings related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$126,256 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 \$583,045.

Deferred outflows of resources in the Ambulance Fund and Business-type Activities consists of \$84,610 from the difference between the expected and actual experience, \$1,164 from the difference between employer contributions and proportionate share of contributions, \$124,758 from changes in assumptions and \$89,853 from the difference between the projected and actual investment earnings related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$83,576 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 \$383,961.

Deferred outflows of resources in the Internal Service Funds consists of \$16,082 from the difference between the expected and actual experience, \$221 from the difference between employer contributions and proportionate share of contributions, \$23,941 from changes in assumptions and \$17,079 from the difference between the projected and actual investment earnings related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$15,886 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 \$73,209.

NOTE 9 – DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources in the Governmental Activities consists of \$8,121 of prepaid property taxes, \$4,453 from the difference between actual and expected experience and \$37,936 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 \$50,510.

Deferred inflows of resources in the Ambulance Fund and Business-type Activities consists of \$2,538 from the difference between the actual and expected experience and \$21,619 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 \$24,157.

TOWN OF BARRE, VERMONT
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Deferred inflows of resources in the Internal Service Fund consists of \$484 from the difference between the actual and expected experience \$4,122 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 \$4,606.

Deferred inflows of resources in the General Fund consists of \$8,121 of prepaid property taxes and \$517,461 of delinquent property taxes (including penalties and interest on those taxes). Total deferred inflows of resources in the General Fund are \$525,582.

Deferred inflows of resources in the Community Development Fund consists of \$29,604 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, 2021.

Long-term debt outstanding as of June 30, 2021 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%	\$ 10,000	\$ 0	\$10,000	\$ 0
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	140,000	0	35,000	105,000
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	62,866	0	31,406	31,460

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – LONG-TERM LIABILITIES – (Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Lease Payable to BCI Capital, Interest at 2.87%, Due in three Annual Installments of \$35,868 Including Interest, Due December, 2021, Secured by 2019 Ford F-550 with Plow	\$ 68,762	\$ 0	\$ 33,895	\$ 34,867
Lease Payable to Municipal Leasing Consultants, Interest at 2.57%, Due in five Annual Installments of \$24,353 Including Interest, Due January 8, 2026 Secured by Generator	0	112,910	0	112,910
Lease Payable to U.S. Bancorp, Interest at 2.37% Due in five Annual Installments of \$44,939 Including Interest, Due October 1, 2024, Secured by Tanker	0	214,528	44,939	169,589
Lease Payable to U.S. Bancorp, Interest at 2.37% Due in three Annual Installments of \$14,875 Including Interest, Due October 1, 2022, Secured by Police Equipment	0	43,600	14,875	28,725
Lease Payable to Municipal Leasing Consultants, Interest at 2.49%, Due In three Annual Installments of \$41,291 Including Interest, Due January 8, 2023 Secured by Ambulance	0	120,887	41,291	79,596
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>59,240</u>	<u>0</u>	<u>19,282</u>	<u>39,958</u>
Total Governmental Activities Long-Term Debt	\$ <u>340,868</u>	\$ <u>491,925</u>	\$ <u>230,688</u>	\$ <u>602,105</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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 Zoll Medical, 0% Interest, Annual Installments of \$29,385 through July 15, 2024, Secured by Equipment	\$ 132,089	\$ 0	\$ 26,418	\$105,671
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	108,750	0	18,125	90,625
Lease Payable, to U.S. Bancorp, Interest at 2.39%, Due in Annual Installments of \$31,047, Due September, 2022, Secured by Vactor Truck	88,860	0	28,924	59,936
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	509,910	0	21,886	488,024
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	51,620	0	4,030	47,590
Community National Bank, USDA Refunding, Annual Payments of Principal and Interest of \$12,452, Interest at 2.875%, Due September, 2034	150,000	0	8,136	141,864

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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%, Forgiven in 2021	\$ 50,000	\$ 0	\$ 50,000	\$ 0
Websterville Fire District Loan, Special Environmental Revolving Fund, Interest at 0%, Principal Payments of \$10,277 Due Each December 1 through 2048	<u>298,024</u>	<u>0</u>	<u>10,277</u>	<u>287,747</u>
Total Business-Type Activities Long-Term Debt	\$ <u>1,389,253</u>	\$ <u>0</u>	\$ <u>167,796</u>	\$ <u>1,221,457</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	\$ 150,000	\$ 0	\$ 45,000	\$ 105,000	\$ 35,000
Capital Leases Payable	190,868	491,925	185,689	497,104	201,944
Compensated Absences	181,268	35,960	0	217,228	0
Net Pension Liability	<u>1,008,799</u>	<u>493,676</u>	<u>0</u>	<u>1,502,475</u>	<u>0</u>
Total Governmental Activities Long-Term Liabilities	\$ <u>1,530,935</u>	\$ <u>1,021,561</u>	\$ <u>230,689</u>	\$ <u>2,321,807</u>	\$ <u>236,944</u>
Business-type Activities					
Revolving Loan Fund Payable	\$ 108,750	\$ 0	\$ 18,125	\$ 90,625	\$ 36,250
USDA Rural Development Payable	509,910	0	21,886	488,024	22,685
Mill Street EPA Loan Payable	51,620	0	4,030	47,590	4,151
Capital Leases Payable	220,949	0	55,342	165,607	56,031
Websterville Fire District Loans	498,024	0	68,413	429,611	18,653
Compensated Absences	83,023	9,246	0	92,269	0
Net Pension Liability	<u>604,133</u>	<u>252,118</u>	<u>0</u>	<u>856,251</u>	<u>0</u>
Total Business-type Activities Long-Term Liabilities	\$ <u>2,076,409</u>	\$ <u>261,364</u>	\$ <u>167,796</u>	\$ <u>2,169,977</u>	\$ <u>137,770</u>

TOWN OF BARRE, VERMONT
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\$50,000 of the Websterville Fire District loans were forgiven in 2021 by the Vermont Special Environmental Revolving Fund.

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
2022	35,000	4,060	214,276	81,739	22,905	57,465
2023	35,000	2,452	145,171	82,929	21,697	57,465
2024	35,000	(2,504)	69,292	66,039	20,447	26,418
2025	0	0	69,291	49,187	19,154	26,418
2026	0	0	24,352	50,512	17,817	0
2027-2031	0	0	0	273,993	67,368	0
2032-2036	0	0	0	245,564	28,555	0
2037-2041	0	0	0	110,520	7,952	0
2042-2046	0	0	0	64,537	240	0
2047-2051	0	0	0	30,830	0	0
Total	105,000	4,008	522,382	1,055,850	206,135	167,766
Less: Imputed Interest	0	0	(25,277)	0	0	(2,159)
Total	\$ 105,000	\$ 4,008	\$ 497,105	\$ 1,055,850	\$ 206,135	\$ 165,607

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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 (Exhibit A)	
	Governmental Funds (Exhibit C)	Proprietary 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	239,924	0	0	0
General Fund - Prepaid items	50,676	0	0	0
General Fund - Internal Receivables from Funds with Deficits	627,205	0	0	0
	<u>1,312,924</u>	<u>0</u>	<u>0</u>	<u>0</u>
Restricted:				
General Fund - Records Restoration	30,672	0	30,672	0
Cemetery Trust Fund - principal at Edward Jones Investments	0	0	239,924	0
Community Development Fund - Grant Agreement	0	0	24,607	0
Construction Fund - Bike Path Donations	321,931	0	321,931	0
Cemetery Trust Fund - perpetual care	65,291	0	65,291	0
Sewer Fund - For Sewer Improvements by Sewer Allocation Policy	0	817,868	0	817,868
	<u>417,894</u>	<u>817,868</u>	<u>682,425</u>	<u>817,868</u>
Committed:				
Cemetery Fund - By the Voters	47,058	0	0	0
	<u>47,058</u>	<u>0</u>	<u>0</u>	<u>0</u>
Assigned:				
General Fund - future purchases:				
General Government	11,796	0	0	0
Fire Department	2,200	0	0	0
Recreation	10,540	0	0	0
Construction Fund	12,182	0	0	0
Reappraisal Fund	397,160	0	0	0
Recreation Fund	2,052	0	0	0
	<u>435,930</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unassigned (governmental funds)/Unrestricted (business-type funds)	<u>3,219,382</u>	<u>(461,964)</u>	<u>3,917,476</u>	<u>(461,964)</u>
Invested in Capital Assets, Net of Related Debt	<u>0</u>	<u>3,855,600</u>	<u>13,129,725</u>	<u>3,855,600</u>
Total Fund Balances/Net Position	<u>\$ 5,433,188</u>	<u>\$ 4,211,504</u>	<u>\$ 17,729,626</u>	<u>\$ 4,211,504</u>

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, 2021 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.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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 2020/2021 were as follows:

	<u>Homestead</u>	<u>Non-Homestead</u>
General Fund	\$ 0.5402	\$ 0.5402
Highway Fund	0.4390	0.4390
Local Agreement	0.0039	0.0039
State Education Tax	<u>1.6381</u>	<u>1.9502</u>
	<u>\$ 2.6212</u>	<u>\$ 2.9333</u>

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. As of June 30, 2020, the measurement date selected by the State of Vermont, the retirement system consisted of 353 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.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 - PENSION PLANS (Continued)

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, 2020, the measurement date selected by the State of Vermont, VMERS was funded at 74.52% and had a plan fiduciary net position of \$740,052,895 and a total pension liability of \$993,026,959 resulting in a net position liability of \$252,974,064. As of June 30, 2021, the Town's proportionate share of this was 0.932398% resulting in a net pension liability of \$2,358,726. The net pension liability was measured as of June 30, 2020, 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 0.92969% was an increase of .2708 from its proportion measured as of the prior year.

For the year ended June 30, 2021, the Town recognized pension expense of \$216,654.

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

\$154,927 is in Governmental Activities, including the Internal Service Fund amount of \$37,544 and \$61,727 is in Business-type Activities.

At June 30, 2021, the Town owed VMERS \$109,283 for employer and employees contributions for the current quarter.

As of June 30, 2021, 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	\$ 212,428	\$ 6,991
Changes in assumptions	316,230	0
Difference between projected and actual investment earnings	225,592	0
Differences between the employer contributions and proportionate share of total contributions	2,924	59,554
Town's required employer contributions made subsequent to the measurement date	<u>209,832</u>	<u>0</u>
	<u>\$ 967,006</u>	<u>\$ 66,545</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 - PENSION PLANS (Continued)

The deferred outflows of resources resulting from the Town's required employer contributions made subsequent to the measurement date in the amount of \$209,832 will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. 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>	
2022	\$ 179,745
2023	195,959
2024	181,388
2025	<u>133,536</u>
Total	<u>\$ 690,628</u>

Summary of System Provisions

Membership – Full time employees of participating municipalities. Municipalities can elect coverage under Groups A, B, C or D provisions. The Town elected coverage under Groups B and C.

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 A – The earlier of age 65 with five (5) years of service or age 55 with thirty-five (35) years of service. Group B – The earlier of age 62 with five (5) years of service or age 55 with thirty (30) years of service. Groups C and D – Age 55 with five (5) years of service.

Amount – Group A – 1.4% of AFC times service. 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. Group D – 2.5% of AFC times service as a Group D member plus percentage earned as a Group A, B or C 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.

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

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 - PENSION PLANS (Continued)

Early Retirement Allowance:

Eligibility – Age 55 with five (5) years of service for Groups A and B. Age 50 with twenty (20) years of service for Group D.

Amount – Normal allowance based on service and AFC at early retirement, reduced by 6% for each year commencement precedes normal retirement age for Groups A and B members, and payable without reduction to Group D 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.

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 – 5.375%. Group C – 10.50%.

Employer Contributions – Group B – 6.00%. Group C – 7.75%.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 - PENSION PLANS (Continued)

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

Significant Actuarial Assumptions and Methods

Investment Rate of Return: 7.00%, net of pension plan investment expenses, including inflation, a decrease from 7.50% in the prior year.

Salary increases: Varying service-based rates from 0-10 years of service, then a single rate of 4.50% (includes assumed inflation rate of 2.30%) for all subsequent years.

Mortality:

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

Healthy Post-retirement – Retirees: Groups A, B and C – 104% of 40% PubG-2010 General Healthy Retiree below-median and 60% of PubG-2010 General Healthy Retiree, with generational projection using scale MP-2019. Group D – PubG-2010 General Healthy Retiree, with generational projection using scale MP-2019.

Healthy Post-retirement – Beneficiaries: Groups A, B and C – 70% Pub-2010 Contingent Survivor below-median and 30% of Pub-2010 Contingent Survivor, with generational projection using scale MP-2019. Group D – Pub-2010 Contingent Survivor, with generational projection using scale MP-2019.

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

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

Cost-of-Living Adjustments: 1.10% for Group A members and 1.20% for Groups B, C and D members. The January 1, 2020 and January 1, 2021 COLAs are 0.80% and 0.40%, respectively, 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.

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

Inflation: 2.30%

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 - PENSION PLANS (Continued)

Long-term Expected Rate of Return:

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equity	29%	7.07%
US Equity – Large Cap	4%	6.19%
US Equity – Small/Mid Cap	3%	6.93%
Non-US Equity – Large Cap	5%	7.01%
Non-US Equity – Small Cap	2%	7.66%
Emerging Markets Debt	4%	3.66%
Core Bond	20%	0.39%
Private & Alternate Credit	10%	6.03%
US TIPS	3%	(0.20)%
Core Real Estate	5%	4.06%
Non-Core Real Estate	3%	6.43%
Private Equity	10%	11.27%
Infrastructure/Farmland	2%	5.44%

Discount Rate – The discount rate used to measure the total pension liability was 7.00%, a decrease from 7.50% in the prior year. 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.

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

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 - PENSION PLANS (Continued)

<u>1% Decrease (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
\$3,603,654	\$2,358,726	\$1,334,411

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 \$25,299.26 as of June 30, 2021. 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, 2021

NOTE 17 - DEFICIT NET POSITION/FUND BALANCES

An unrestricted net position deficit of \$434,432 (which is a \$102,027 lesser deficit than June 30, 2020) exists in the Ambulance Fund due to having excess of operating expenses over revenue since the Ambulance Fund was established in budget year 1999-2000. The three (3) year average of gross ambulance calls for fiscal years 2018, 2019 and 2020 was 3,938. During fiscal year 2021, there was 3,945 total (gross) ambulance calls, a 116 call increase from fiscal year 2020. For revenues, however, the number of billable calls is more important. During fiscal year 2021, the number of billable calls was 2,989 which was 151 more than fiscal year 2020 and 76 less than the average three years prior. COVID-19 was instrumental in reducing the number of ambulance calls as people were more inclined to stay home when minor inquiries occurred. BTEMS performed 29 more critical care transfers (typically billed at a much higher amount than other calls) in fiscal year 2021 than in fiscal year 2020, 25 more than the average of the three prior years.

There is also an unrestricted net position deficit in the Water Fund of \$233,783 due to continuing net losses from operations. Water rates were increased in fiscal year 2020 and again for fiscal year 2021 to reduce the likelihood of an operating deficit.

There is also an unrestricted net position deficit in the Equipment Internal Service Fund of \$563,571 (\$109,393 less than the last year) due to operating losses in prior years. The Town plans to reduce 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 \$4,997, which will be eliminated by the sale of land held for sale in the Wilson Industrial Park.

NOTE 18 - RELATED PARTY TRANSACTIONS

A Selectboard member owns a retail store that does business with the Town. In 2021, total purchases from the business owned by the Selectboard member amount to \$5,983. The Selectboard does have a policy addressing conflicts of interest and, as a practice, Selectboard members abstain from voting on transactions that may present a conflict.

NOTE 19 – SUBSEQUENT EVENTS

The Town received a designation of \$2,307,709.01 in American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) funds. Half of this was deposited to the Town account in 2021 and the other half is to be received in 2022. These monies will be used to fund approved Town projects in the coming years.

TOWN OF BARRE, VERMONT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
VMERS DEFINED BENEFIT PLAN
JUNE 30, 2021

	2021	2020	2019	2018	2017	2016	2015
Total Plan Net Pension Liability	\$ 252,974,064	\$ 173,491,807	\$ 140,675,892	\$ 121,155,552	\$ 128,696,167	\$ 77,095,810	\$ 9,126,613
Town's Proportion of the Net Pension Liability	0.93240%	0.92969%	0.96050%	1.07089%	1.1287%	1.1149%	1.0372%
Town's Proportionate Share of the Net Pension Liability	2,358,726	\$ 1,612,933	\$ 1,351,170	\$ 1,297,442	\$ 1,452,550	\$ 859,541	\$ 94,658
Town's Covered Employee Payroll	\$ 3,107,000	\$ 2,959,655	\$ 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	75.9165%	54.4973%	47.1612%	45.9899%	49.7444%	29.7349%	3.4599%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.52%	80.35%	82.60%	83.64%	80.95%	87.42%	98.32%

Notes to Schedule

Benefit Changes: None.

Changes in Assumptions and Methods: The following changes were effective for the June 30, 2020 valuation date:

- The investment return assumption was lowered from 7.50% to 7.00%.
 - The inflation assumption was lowered from 2.50% to 2.30%.
 - The COLA assumption was lowered from 1.15% to 1.10% for Group A members and from 1.30% to 1.20% for Groups B, C and D members.
 - The mortality assumptions were updated as follows:
 - Pre-Retirement:
 - Groups A/B/C - 40% PubG-2010 General Employee below-median and 60% of PubG-2010 General Employee, with generational projection using scale MP-2019.
 - Group D - PubG-2010 General Employee above-median, with generational projection using scale MP-2019.
 - Healthy Post-Retirement - Retirees:
 - Groups A/B/C - 104% of 40% PubG-2010 General Healthy Retiree below-median and 60% of PubG-2010 General Healthy Retiree, with generational projection using scale MP-2019.
 - Group D - PubG-2010 General Healthy Retiree, with generational projection using scale MP-2019.
 - Healthy Post-Retirement - Beneficiaries:
 - Groups A/B/C - 70% Pub-2010 Contingent Survivor below-median and 30% of Pub-2010 Contingent Survivor, with generational projection using scale MP-2019.
 - Group D - Pub-2010 Contingent Survivor, with generational projection using scale MP-2019.
 - Disabled Retirees:
 - All Groups - PubNS-2010 Non-Safety Disabled Retiree Mortality Table with generational projection using scale MP-2019.
 - The salary scale assumption was revised for varying service based rates from 0-10 years of service, then a single rate of 2.20% for all subsequent years, plus revised inflation of 2.30%.
 - The active retirement rates were updated as follows:
 - Group A: Decreased the rates throughout all ages.
 - Group B: For females, slightly decreased the rates at younger ages and then increased the rates at later ages. For males, slightly decreased the rates at most ages.
 - Group C: Simplified the assumption to a unisex table that more accurately aligns with the actual experience for both males and females.
 - Group D: For members with less than 20 years of service, increased the rates for ages 55-59.
 - The inactive retirement assumption was updated to add a rate of 10% from early retirement age for each year until normal retirement age, then 100% at normal retirement age.
 - The liability loan of accumulated contributions for Inactive Members was removed. Liabilities for Inactive Members are now based on 100% of the accumulated contributions.
- Inactive Members who are vested immediately become Deferred Members, and the liabilities for all Deferred Members are based on the accrued benefit.
- The termination rates were updated as follows:
 - Simplified female rates to one set of slightly reduced rates for all females.

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

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BARRE, VERMONT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
VMERS DEFINED BENEFIT PLAN
FOR THE YEAR ENDED JUNE 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution (Actuarially Determined)	\$ 178,625	\$ 193,243	\$ 178,625	\$ 168,236	\$ 174,886	\$ 173,411	\$ 155,577
Contributions in Relation to the Actuarially Determined Contributions	<u>178,625</u>	<u>193,243</u>	<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>	\$ <u>0</u>	\$ <u>0</u>
Town's Covered Employee Payroll	\$ 3,107,000	\$ 2,959,655	\$ 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	5.75%	6.53%	6.23%	5.96%	5.99%	6.00%	5.69%

Notes to Schedule

Valuation Date:	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
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Fiscal year 2015 was the first year of implementation, therefore, only seven 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, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues:			
General Government:			
Property Taxes:			
Current Taxes:			
Property Taxes - General	\$ 3,305,076	\$ 3,287,677	\$ (17,399)
Property Taxes - Cemetery	28,970	28,970	0
Property Taxes - Highway	2,976,405	2,976,405	0
Total Current Taxes	6,310,451	6,293,052	(17,399)
Delinquent Taxes:			
Current Year Delinquent Taxes	155,000	162,002	7,002
Prior Year Delinquent Taxes	160,000	119,151	(40,849)
Total Delinquent Taxes	315,000	281,153	(33,847)
Other Items:			
Payment in Lieu of Taxes/Rebate	28,500	9,545	(18,955)
Total Other Items	28,500	9,545	(18,955)
Interest and Late Charges - Delinquent:			
Interest/Late Charge 1% & 5%	70,000	69,027	(973)
Delinquent Tax Coll. Fee 8%	22,000	21,295	(705)
Total Interest and Late Charges - Delinquent	92,000	90,322	(1,678)
Total Property Taxes	6,745,951	6,674,072	(71,879)
Licenses and Permits:			
Business Licenses and Permits:			
Alcoholic Bev. Licenses	1,100	1,115	15
Fireworks Permits	255	325	70
Racing Permits	800	800	0
Special Events Permits	50	0	(50)
Total Business Licenses and Permits	2,205	2,240	35
Non-Business Licenses and Permits:			
Dog Licenses	5,515	4,407	(1,108)
Zoning	4,020	5,506	1,486
Conditional Use & Variance	700	1,244	544
Driveway Permits	1,550	2,010	460
Burial and Transit	115	75	(40)
Sub Division Fees	1,250	1,327	77
GIS Update Fee	300	525	225
Site Plan Review	250	196	(54)
Total Non-Business Licenses and Permits	13,700	15,290	1,590
Total Licenses and Permits	15,905	17,530	1,625
Intergovernmental Revenue:			
Federal:			
DOJ Police Vest Grant	275	0	(275)
Fed. Grants/Public Safety-Cops	0	9,019	9,019
Fed. Grants/Other	0	14,146	14,146
Total Federal	275	23,165	22,890

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, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
State:			
Current Use Program	\$ 94,000	\$ 92,669	\$ (1,331)
Act 60 Reappraisal Grant	3,650	3,669	19
State Grant - Public Safety	0	0	0
LGER Grant	0	171,448	171,448
Election Grant	0	5,000	5,000
Other State Grant	0	1,010	1,010
State Grant - Highway & Streets	200,875	263,282	62,407
State Grant - Paving & Bridges	0	0	0
Total State	298,525	537,078	238,553
Total Intergovernmental Revenue	298,800	560,243	261,443
Charges for Services:			
General Government:			
Recording Fees	58,380	135,810	77,430
Issuing Hunting/Fishing Lic.	15	0	(15)
Telephone/Maps Income	50	90	40
Vault Time/Copies	750	1,544	794
Certified Copies	3,300	2,982	(318)
Photo Copy Charges	5,000	5,669	669
Green Mtn. Passports	60	78	18
Vehicle Registration Fees	425	216	(209)
Other	400	30	(370)
Total General Government	68,380	146,419	78,039
Public Safety - Police and Fire:			
Police - Thunder Road	16,630	3,043	(13,587)
Police - Other Contracts	450	313	(137)
Police - Local Ordinance Fines	10,000	3,356	(6,644)
Police - Parking Violations	800	1,936	1,136
Police - Accident Reports	2,300	2,270	(30)
Police - Donations	0	1,446	1,446
Police - Miscellaneous	15,000	21,101	6,101
Fire - Town of Orange	5,500	4,344	(1,156)
Fire - Other Contracts	400	0	(400)
Fire - Miscellaneous	0	0	0
Fire - Donations	100	575	475
Total Public Safety - Police and Fire	51,180	38,384	(12,796)
Highway and Streets:			
Services Rendered	750	200	(550)
Gross Load Permits	1,125	1,100	(25)
Unregistered Vehicle Permits	420	525	105
Road Open Permit - Dig in ROW	300	1,080	780
Refunds - Highway	0	7,485	7,485
Street Number Sign Sales	0	56	56
Miscellaneous	500	15,310	14,810
Total Highway and Streets	3,095	25,756	22,661
Sanitation:			
Bulk Trash Collection Receipts	5,400	7,477	2,077
Green Up	1,000	1,882	882
Total Sanitation	6,400	9,359	2,959

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, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
Recreation:			
Recreation Programs	\$ 500	\$ 540	\$ 40
Bor Rec. Field Lights	1,500	935	(565)
Use of Fields	2,500	2,370	(130)
Use of Picnic Shelter	2,800	605	(2,195)
Recreation - Donation Revenues	0	4,362	4,362
Donations Travis Skate Park	5,600	0	(5,600)
Miscellaneous Donations	250	23,583	23,333
Total Recreation	13,150	32,395	19,245
Total Charges for Services	142,205	252,313	110,108
Miscellaneous Revenue:			
Miscellaneous Revenue:			
Misc. Revenue	1,200	4,150	2,950
Rents - 22 Wilson St.	10,080	8,960	(1,120)
Sale of Property	0	15,058	15,058
Reimbursement Revenue	2,000	5,068	3,068
Total Miscellaneous Revenue	13,280	33,236	19,956
Interest Income:			
Interest Earned	2,500	10,461	7,961
Total Interest Income	2,500	10,461	7,961
Transfers:			
Transfer In-BAD Incubator Bldg.	9,555	9,836	281
Total Transfers	9,555	9,836	281
Total Miscellaneous Revenue	25,335	53,533	28,198
Total Revenues	7,228,196	7,557,691	329,495
Expenditures:			
General Government:			
Selectboard:			
Regular	8,000	8,142	(142)
Mileage	25	0	25
Other Supplies	25	17	8
Postage	3,180	3,369	(189)
Advertising	125	250	(125)
Printing	5,725	5,229	496
Miscellaneous	1,275	214	1,061
Training Registration	140	0	140
Training Materials	0	0	0
Legal Fees	700	0	700
Cable TV Public Access Service	8,800	2,610	6,190
Misc. Contracted Services	1,550	7,860	(6,310)
Other Miscellaneous	350	1,529	(1,179)
Total Selectboard	29,895	29,220	675

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, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
Auditing:			
Regular	\$ 350	\$ 0	\$ 350
Mileage	25	0	25
Printing Town Reports	6,000	0	6,000
Training Registration	60	0	60
Independent Audit & Accounting	65,180	68,280	(3,100)
Legal	25	0	25
Total Auditing	71,640	68,280	3,360
Town Manager:			
Regular	152,610	144,268	8,342
Bonus	1,300	0	1,300
Town Equipment Charges	8,305	8,305	0
Mileage	25	0	25
Equipment Rentals	1,580	1,554	26
Office Supplies	1,500	1,230	270
Postage	1,125	1,181	(56)
Advertising	2,300	3,405	(1,105)
Printing	505	0	505
Telephone	1,800	2,495	(695)
Miscellaneous	115	64	51
Training Registration	2,860	1,800	1,060
Conference Registrations	500	0	500
Travel and Lodging	75	0	75
Dues	1,415	1,992	(577)
Reference Books	750	753	(3)
Legal Fees	3,000	4,992	(1,992)
Medical Services	300	309	(9)
Background Check	400	835	(435)
Misc. Services	4,565	1,992	2,573
Total Town Manager	185,030	175,175	9,855
Elections:			
Regular	11,000	12,478	(1,478)
Overtime	2,085	2,581	(496)
Other Supplies	100	1,738	(1,638)
Postage	1,260	8,280	(7,020)
Advertising	1,180	1,311	(131)
Printing	2,625	5,796	(3,171)
Contracted Services	3,500	3,101	399
Total Elections	21,750	35,285	(13,535)
Clerk/Town Treasurer Office:			
Regular	206,635	214,755	(8,120)
Bonus	740	75	665
Mileage	1,600	1,193	407
Equipment Repair Costs	25	0	25
Small Equipment Purchases	0	1,110	(1,110)
Office Supplies	4,685	3,001	1,684
Postage	6,255	6,255	0
Advertising	690	2,600	(1,910)
Printing	2,170	777	1,393
Telephone	1,355	2,451	(1,096)
Training Registration	245	0	245
Conference Registrations	195	0	195

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, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
Clerk/Town Treasurer Office:			
Dues	\$ 365	\$ 415	\$ (50)
Subscription	180	180	0
Legal Fees	3,000	83	2,917
Bank Service Fees	475	555	(80)
Misc. - Restoration of Records	12,760	12,472	288
Miscellaneous	130	52	78
Muni Vault Shelves	0	0	0
Interfund Transfers	0	0	0
Total Clerk/Town Treasurer Office	241,505	245,974	(4,469)
Data Processing:			
Regular	5,975	6,108	(133)
Town Equipment Charges	8,140	8,140	0
Equipment Repair Costs	0	0	0
Office Equipment	175	519	(344)
Office Supplies	100	292	(192)
Internet Access	3,830	3,509	321
Contracted Services	0	95	(95)
Comp. Software Maint. & Upgrade	90,260	83,587	6,673
Total Data Processing	108,480	102,250	6,230
Planning/Zoning/Community Development:			
Salaries	98,605	98,735	(130)
Bonus	915	0	915
Mileage	920	893	27
Office Supplies	1,050	247	803
Postage	1,810	1,810	0
Advertising	1,000	1,276	(276)
Printing	250	387	(137)
Miscellaneous	25	16	9
Telephone	895	1,350	(455)
Training Registrations	200	0	200
Conference Registrations	125	0	125
Travel & Lodging	25	0	25
Training Materials	25	0	25
Reference Books	115	239	(124)
Engineering/Architect Services	1,000	0	1,000
Legal Fees	400	660	(260)
Comp. Software Maint & Upgrade	5,260	5,294	(34)
Contracts with Others	150	0	150
Total Planning/Zoning/Community Development	112,770	110,907	1,863
Assessor:			
Regular	28,820	29,017	(197)
Bonus	0	49	(49)
Mileage	50	0	50
Office Supplies	2,590	520	2,070
Postage	0	1,775	(1,775)
Advertising	0	34	(34)
Printing	100	184	(84)
Telephone	575	707	(132)
Furniture & Fixtures	170	175	(5)
Training	1,125	1,031	94
Legal Fees	300	101	199
Comp. Software Main & Upgrade	10,595	10,905	(310)
Assessor's Contract	37,200	31,602	5,598
Total Assessor	81,525	76,100	5,425

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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, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
Municipal Building:			
Salaries	\$ 12,680	\$ 8,378	\$ 4,302
Town Equipment Charges	2,765	3,048	(283)
Radio Rentals & Repairs	445	445	0
Equipment Maintenance and Repairs	75	59	16
Equipment Rentals	70	56	14
Small Equipment Purchases	115	2,087	(1,972)
Other Supplies	275	371	(96)
Sewer & Water	990	1,235	(245)
Electricity	11,800	11,810	(10)
Heat	4,620	5,201	(581)
Building Fund - Transfer Out	8,800	8,800	0
Supplies	2,130	1,605	525
Building Main. & Repairs	13,500	13,214	286
Rubbish Removal	990	1,040	(50)
	<u>59,255</u>	<u>57,349</u>	<u>1,906</u>
Total Municipal Building	<u>59,255</u>	<u>57,349</u>	<u>1,906</u>
Total General Government	<u>911,850</u>	<u>900,540</u>	<u>11,310</u>
Public Safety:			
Police:			
Regular	451,600	439,459	12,141
Overtime	55,000	25,776	29,224
Thunder Road Wages	16,630	10,432	6,198
Coverage/Specials	28,235	21,896	6,339
Training	5,000	2,038	2,962
Contracted wages	0	10,147	(10,147)
Bonus	6,260	6,560	(300)
Vacation	49,445	47,301	2,144
Sick	5,505	3,585	1,920
Holiday	3,670	6,832	(3,162)
Comp Time	0	2,470	(2,470)
Bereavement	0	595	(595)
Town Equipment Charges	144,300	140,370	3,930
Mileage	1,915	99	1,816
Radio Rentals & Repairs	2,280	2,803	(523)
Equipment Contracts	5,000	4,474	526
Equipment Repair Costs	1,250	560	690
Equipment Rentals	450	0	450
Equipment Purchases	18,700	25,687	(6,987)
Office Supplies	3,505	576	2,929
Other Supplies	0	862	(862)
Postage	50	357	(307)
Printing	0	437	(437)
Telephone	5,400	5,347	53
Mobile Data Internet Charges	2,400	2,383	17
Building Fund - Transfer Out	50	50	0
Training	5,000	2,261	2,739
Travel & Lodging	750	270	480
Dues	240	40	200
Subscriptions	0	0	0
Furniture & Fixtures	1,900	2,027	(127)
Rent	800	1,700	(900)
Training Materials	5,060	4,952	108
Reference Books	0	0	0
Public Education Programs	750	760	(10)
Legal Services	500	34	466
Medical Vet Expenses	200	0	200
Contracts with Other Towns	102,135	101,337	798

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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, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
Police/(Cont'd):			
Outside Services	\$ 1,050	\$ 1,600	\$ (550)
Miscellaneous	350	1,370	(1,020)
T. Road Pmts to WCSD	1,850	0	1,850
Computer Software Maintenance and Upgrade	4,610	5,404	(794)
Uniforms	7,710	5,945	1,765
Shoe Allowance	1,200	1,050	150
Personal Protective Eq. & Supp	2,000	5,010	(3,010)
Donation Expenses	0	1,081	(1,081)
Total Police	942,750	895,937	46,813
Fire:			
Regular	66,315	55,381	10,934
Regular Wages-Fire Warden	2,950	2,950	0
Reg Wages - Hydrants	200	852	(652)
DPW Assisted Overtime	150	76	74
Training	12,150	10,570	1,580
Town Equipment Charges	156,565	158,928	(2,363)
Mileage	800	896	(96)
Radio Rentals & Repairs	7,445	7,195	250
Radio Rent/Rprs-Fire Wrdrn	0	0	0
Equipment Repair Costs	2,350	2,026	324
Equipment Purchases	9,975	7,772	2,203
Equipment Replacement Reserve	20,555	0	20,555
Hand Tools	100	0	100
Office Supplies	0	65	(65)
Other Supplies	1,480	876	604
Grease & Oil	15	0	15
Gasoline	120	50	70
Postage	500	500	0
Misc. Supplies/Expenses	1,375	1,457	(82)
Sewer & Water	1,760	339	1,421
Electricity	5,600	6,714	(1,114)
Telephone	1,070	1,078	(8)
Telephone-Fire Warden	0	417	(417)
Internet Access	2,280	2,190	90
Heat	9,550	7,323	2,227
Building Fund - Transfer Out	9,010	9,010	0
Capital Improvements	0	22,500	(22,500)
Supplies	530	498	32
Building Maint. & Repairs	3,695	8,525	(4,830)
Training	530	300	230
Travel & Lodging	25	0	25
Dues	725	777	(52)
Training Materials	25	85	(60)
Public Education Programs	700	424	276
Contracts with Other Towns	49,070	49,068	2
Contracted Service	1,190	2,622	(1,432)
Vehicle Repairs and Service	1,300	1,596	(296)
Volunteer's Accident Policy	2,025	0	2,025
Personal Protective Equip/Supp	4,100	1,507	2,593
Gear Replacement Reserve	8,500	0	8,500
Immunizations	225	0	225
Misc. - Fire Warden	650	494	156
Total Fire	385,605	365,061	20,544

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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, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
Emergency Management:			
Regular	\$ 1,650	\$ 2,628	\$ (978)
Town Equipment Charges	3,000	5,669	(2,669)
Radio Rentals & Repairs	685	635	50
Office Supplies	25	0	25
Other Supplies	930	2,179	(1,249)
Advertising	50	0	50
Telephone	80	78	2
Electrical Work	1,450	66,466	(65,016)
Other Services & Repairs	435	442	(7)
Training	50	0	50
Training Materials	50	0	50
Other Outside Services	2,615	1,720	895
Total Emergency Management	11,020	79,817	(68,797)
Total Public Safety	1,339,375	1,340,815	(1,440)
Ambulance Service:			
Ambulance Per Capita Fee	545,835	545,835	0
Bad Debts	0	7,205	(7,205)
Total Ambulance Service	545,835	553,040	(7,205)
Public Works:			
Engineering Administration:			
Regular	139,165	127,287	11,878
Overtime	500	0	500
Bonus	1,365	0	1,365
Town Equipment Charges	39,015	39,015	0
Mileage	50	33	17
Town Radio Charges	5,800	5,800	0
Equipment Repair and Purchases	200	219	(19)
Office Supplies	420	467	(47)
Postage	230	230	0
Advertising	1,415	1,497	(82)
Printing	100	0	100
Telephone	1,100	1,044	56
Training Registration	665	50	615
Dues	830	1,178	(348)
Audit & Accounting	10,160	10,251	(91)
Engineering/Architectural Service	2,000	1,275	725
Legal Fees	1,000	203	797
Computer Software Upgrade	180	180	0
Other Services	1,930	2,573	(643)
Miscellaneous	375	455	(80)
Permits & Licenses	7,800	6,667	1,133
Total Engineering Administration	214,300	198,424	15,876
Summer Maintenance:			
Regular	153,210	90,856	62,354
Overtime	2,000	2,520	(520)
Town Equipment Charges	276,640	133,956	142,684
Equipment Rentals	15,050	4,500	10,550
Large Equipment	20,695	20,698	(3)
Small Equipment	500	408	92
Outside Services	135,500	141,678	(6,178)
Hand Tools	800	758	42
Other Supplies	31,685	28,944	2,741
Summer Maintenance Water - Sewer	1,500	732	768
Contracted Highway Service	2,100	1,355	745
Total Summer Maintenance	639,680	426,405	213,275

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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, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
Winter Maintenance:			
Regular	\$ 170,250	\$ 173,870	\$ (3,620)
Overtime	45,160	40,654	4,506
Town Equipment Charges	318,590	318,587	3
Radio Rentals & Repairs	3,275	69	3,206
Small Equipment Purchase	0	1,732	(1,732)
Supplies	207,955	145,260	62,695
Building Fund - Transfer Out	1,895	1,895	0
Other Highway Outside Services	72,410	48,321	24,089
Total Winter Maintenance	819,535	730,388	89,147
Summer Construction:			
Regular	34,925	51,264	(16,339)
Overtime	500	2,118	(1,618)
Town Equipment Charges	85,960	111,575	(25,615)
Equipment Rental	3,400	0	3,400
Highway Supplies	11,800	19,829	(8,029)
Other Supplies	4,835	5,018	(183)
Paving Costs	357,585	330,297	27,288
Other Highway Outside Services	63,200	37,872	25,328
Total Summer Construction	562,205	557,973	4,232
Retreatment:			
Regular	8,985	4,546	4,439
Overtime	300	0	300
Town Equipment Charges	12,630	6,697	5,933
Highway Supplies	6,200	6,161	39
Outside Services	327,730	368,097	(40,367)
Capital Improvement Quarry Street	11,700	10,000	1,700
Total Retreatment	367,545	395,501	(27,956)
Employee Benefits:			
Bonus	300	600	(300)
Vacation	28,180	26,670	1,510
Sick	9,070	10,607	(1,537)
Holiday	16,325	14,832	1,493
Floater Holiday	6,405	5,018	1,387
Wellness	2,400	2,795	(395)
Personal Holiday	1,400	1,297	103
Comp Time	5,200	9,044	(3,844)
Bereavement	0	845	(845)
Workman's Comp Insurance	42,705	42,553	152
Unemployment	4,285	6,035	(1,750)
Retirement Group A	0	7,807	(7,807)
Retirement Group B	35,310	18,179	17,131
Health Insurance	172,950	181,349	(8,399)
Health Insurance Buy-Out	3,250	2,000	1,250
Health Deduct. & Co-Pay Reimb.	4,800	1,701	3,099
Dental Insurance	4,600	4,113	487
Health Savings Account	2,870	1,400	1,470
Vision Reimbursements	75	64	11
Disability and Life Insurance	5,550	5,200	350
Social Security	49,720	33,416	16,304
Uniforms	4,840	6,339	(1,499)
Boots	1,630	1,286	344
Protective Personal EG & Supp	1,200	1,708	(508)
Immunizations	200	0	200
Misc. - CDL Lisc. Renewal	25	0	25
Total Employee Benefits	403,290	384,858	18,432

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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, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
Gravel Pits:			
Regular	\$ 14,000	\$ 11,776	\$ 2,224
Overtime	500	443	57
Town Equipment Charges	39,755	47,591	(7,836)
Equipment Rentals	0	0	0
Other Supplies	4,040	6,849	(2,809)
Building Fund - Transfer Out	35	35	0
Building Maintenance and Repairs	25	0	25
Training Registration	1,125	1,325	(200)
Engineering	700	700	0
Contracted Lab and Test	125	0	125
Miscellaneous	1,215	1,193	22
Permits, Licenses	160	160	0
Total Gravel Pits	61,680	70,072	(8,392)
Street and Traffic Signs:			
Regular	6,325	6,363	(38)
Overtime	75	0	75
Town Equipment Charges	2,625	8,829	(6,204)
Other Supplies	8,470	9,947	(1,477)
House Number Sign	0	69	(69)
Electricity - Street Lights	94,645	97,872	(3,227)
Total Streets and Traffic Signs	112,140	123,080	(10,940)
Total Public Works	3,180,375	2,886,701	293,674
Sanitation:			
Regular	4,680	5,610	(930)
Overtime	6,635	5,141	1,494
Town Equipment Charges	13,915	19,108	(5,193)
Equipment Rental	700	0	700
Disposal Fees	400	1,030	(630)
Advertising	45	0	45
Supplies	100	80	20
Miscellaneous	840	821	19
Dues - CVSWMD	8,005	4,153	3,852
Contracted Services	24,725	29,630	(4,905)
Green Up Day Expenses	200	1,086	(886)
Total Sanitation	60,245	66,659	(6,414)
Health and Welfare:			
Health Officer:			
Regular	1,900	1,900	0
Training Registration	75	0	75
Legal Fees	125	34	91
Other Outside Services	75	0	75
Total Health Officer	2,175	1,934	241

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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, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
Animal Control:			
Regular	\$ 5,000	\$ 0	\$ 5,000
Mileage	475	0	475
Supplies	85	0	85
Postage	20	20	0
Small Equipment Cost	150	0	150
Telephone	390	(9)	399
Training Registration	75	0	75
Legal Fees	125	0	125
Misc. (Kennel / Vet. Fees)	2,600	2,500	100
Uniforms and Shoes	100	0	100
Personal Protective Eq. & Supp	50	0	50
Immunizations	800	0	800
Total Animal Control	9,870	2,511	7,359
Total Health and Welfare	12,045	4,445	7,600
Culture, Recreation, Development and Transportation:			
Contributions:			
Central VT Home Health Hospice	20,000	20,000	0
Peoples Health & Wellness Clinic	1,500	2,000	(500)
Central VT Agency on Aging	6,000	6,000	0
Project Independence	5,500	(1,375)	6,875
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
Capstone 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	1,000	0
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
Downstreet Housing and Community Development	2,500	2,500	0
Community Harvest of Central VT	1,250	1,250	0
Aldrich Library	184,050	184,050	0
Washington County Mental Health	5,000	5,000	0
Total Contributions	252,250	245,875	6,375
Recreation:			
Regular	61,655	61,762	(107)
Overtime	1,765	2,957	(1,192)
Holiday	0	0	0
Town Equipment Charges	12,080	15,654	(3,574)
Mileage	1,100	791	309
Equipment Repair Costs	250	269	(19)
Equipment Rentals	115	132	(17)
Equipment Purchases	175	483	(308)
Hand Tools	295	358	(63)
Grease & Oil	90	38	52
Other Supplies	12,460	10,383	2,077

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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, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
Recreation/(Cont'd):			
Other Supplies EB Bike Path	\$ 0	\$ 3,369	\$ (3,369)
Program Expenses	6,090	1,956	4,134
Postage	40	40	0
Advertising	400	1,045	(645)
Printing	50	0	50
Sewer & Water	1,510	2,100	(590)
Electricity	2,910	3,130	(220)
Telephone	370	391	(21)
Capital Improvements	56,060	69,097	(13,037)
Building Fund - Transfer Out	3,835	3,835	0
Supplies	3,320	2,884	436
Portalets	7,440	17,210	(9,770)
Miscellaneous	1,050	99	951
Rubbish Removal	1,435	1,197	238
Training Registrations	150	0	150
Legal Fees	0	844	(844)
Services	16,400	15,528	872
Other Miscellaneous Contracted Services	14,800	20,180	(5,380)
Uniforms and Shoes	305	55	250
Donation Expenses	4,625	5,015	(390)
Total Recreation	210,775	240,802	(30,027)
Development:			
Landscaping and Grass Cutting	745	630	115
Barre Area Development	52,145	91,745	(39,600)
Barre Partnership	5,000	5,000	0
C.V. Economic Development	4,000	4,000	0
C.V. Regional Planning Commission	9,655	9,654	1
Total Development	71,545	111,029	(39,484)
Transportation:	4,875	4,875	0
Total Culture/Recreation/Development and Transportation	539,445	602,581	(63,136)
Long-Term Debt:			
Debt Service - Principal	9,555	9,554	1
Total Long-Term Debt	9,555	9,554	1
Insurance:			
General Liability	13,730	12,915	815
Police/Fire/Liability	14,130	16,306	(2,176)
Public Officials Liability & Bond	10,045	9,691	354
Employment Practices	16,030	13,928	2,102
Building & Contents	11,260	10,838	422
Commercial Blanket Bond	4,820	4,074	746
Total Insurance	70,015	67,752	2,263

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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, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
Benefits:			
Workman's Comp Insurance	\$ 53,455	\$ 61,733	\$ (8,278)
Unemployment	9,090	12,902	(3,812)
Retirement	76,095	80,099	(4,004)
Health Insurance Premium	198,080	177,744	20,336
Health Insurance Buy-Out	12,935	12,771	164
Health Deductible & Co-Pay	10,635	5,129	5,506
Dental Insurance	7,640	6,607	1,033
Health Savings Account	19,950	21,142	(1,192)
Vision Reimbursements	600	811	(211)
Catamount Assessment	500	67	433
VT Healthcare	3,200	3,504	(304)
Disability & Life Insurance	8,595	10,403	(1,808)
Social Security	101,390	101,906	(516)
Miscellaneous	0	(233)	233
Health Club Reimbursements	100	0	100
Total Benefits	<u>502,265</u>	<u>494,585</u>	<u>7,680</u>
Total Insurance and Benefits	<u>572,280</u>	<u>562,337</u>	<u>9,943</u>
Other :			
Property Purchases	1	0	1
VLCT	10,965	10,965	0
Washington County Tax	61,230	61,230	0
Williamstown Tax	1,570	1,608	(38)
Front Porch Forum	500	500	0
Total Other	<u>74,266</u>	<u>74,303</u>	<u>(37)</u>
Equipment Charges:	<u>22,155</u>	<u>0</u>	<u>22,155</u>
Transfer to Cemetery Fund:	<u>28,970</u>	<u>28,970</u>	<u>0</u>
Total Expenditures	<u>7,296,396</u>	<u>7,029,945</u>	<u>266,451</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>\$ (68,200)</u>	527,746	<u>\$ 595,946</u>
Fund Balance - July 1, 2020		<u>3,429,722</u>	
Fund Balance - June 30, 2021		<u>\$ 3,957,468</u>	

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TOWN OF BARRE, VERMONT
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

	Special Revenue Funds	Permanent Fund Cemetery Trust Fund	Total
<u>ASSETS</u>			
Cash	\$ 314,051	\$ 12,598	\$ 326,649
Investments	204,815	239,924	444,739
Due from Other Funds	<u>52,294</u>	<u>52,693</u>	<u>104,987</u>
Total Assets	\$ <u><u>571,160</u></u>	\$ <u><u>305,215</u></u>	\$ <u><u>876,375</u></u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 25,984	\$ 0	\$ 25,984
Due to Other Funds	97,544	0	97,544
Accrued Payroll	<u>1,362</u>	<u>0</u>	<u>1,362</u>
Total Liabilities	<u>124,890</u>	<u>0</u>	<u>124,890</u>
<u>FUND BALANCES</u>			
Nonspendable	0	239,924	239,924
Restricted	0	65,291	65,291
Committed	47,058	0	47,058
Assigned	<u>399,212</u>	<u>0</u>	<u>399,212</u>
Total Fund Balances	<u>446,270</u>	<u>305,215</u>	<u>751,485</u>
Total Liabilities and Fund Balances	\$ <u><u>571,160</u></u>	\$ <u><u>305,215</u></u>	\$ <u><u>876,375</u></u>

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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, 2021

	Special Revenue Funds	Permanent Fund Cemetery Trust Fund	Total
Revenues:			
Charges for Services	\$ 61,158	\$ 4,022	\$ 65,180
Donations	656	0	656
Investment Income	<u>2,373</u>	<u>6,292</u>	<u>8,665</u>
Total Revenues	<u>64,187</u>	<u>10,314</u>	<u>74,501</u>
Expenditures:			
General Government	170,884	0	170,884
Cemetery	<u>74,150</u>	<u>0</u>	<u>74,150</u>
Total Expenditures	<u>245,034</u>	<u>0</u>	<u>245,034</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>(180,847)</u>	<u>10,314</u>	<u>(170,533)</u>
Other Financing Sources/(Uses):			
Transfers In	39,428	3,704	43,132
Transfers Out	<u>(3,704)</u>	<u>(10,458)</u>	<u>(14,162)</u>
Total Other Financing Sources/(Uses)	<u>35,724</u>	<u>(6,754)</u>	<u>28,970</u>
Net Change in Fund Balances	(145,123)	3,560	(141,563)
Fund Balances - July 1, 2020	<u>591,393</u>	<u>301,655</u>	<u>893,048</u>
Fund Balances - June 30, 2021	<u>\$ 446,270</u>	<u>\$ 305,215</u>	<u>\$ 751,485</u>

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TOWN OF BARRE, VERMONT
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

	Cemetery Fund	Recreation Fund	Reappraisal Fund	Total
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 314,051	\$ 314,051
Investments	0	0	204,815	204,815
Due from Other Funds	<u>50,242</u>	<u>2,052</u>	<u>0</u>	<u>52,294</u>
Total Assets	<u>\$ 50,242</u>	<u>\$ 2,052</u>	<u>\$ 518,866</u>	<u>\$ 571,160</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 1,822	\$ 0	\$ 24,162	\$ 25,984
Due To Other Funds	0	0	97,544	97,544
Accrued Payroll	<u>1,362</u>	<u>0</u>	<u>0</u>	<u>1,362</u>
Total Liabilities	<u>3,184</u>	<u>0</u>	<u>121,706</u>	<u>124,890</u>
<u>FUND BALANCES</u>				
Committed	47,058	0	0	47,058
Assigned	<u>0</u>	<u>2,052</u>	<u>397,160</u>	<u>399,212</u>
Total Fund Balances	<u>47,058</u>	<u>2,052</u>	<u>397,160</u>	<u>446,270</u>
Total Liabilities and Fund Balances	<u>\$ 50,242</u>	<u>\$ 2,052</u>	<u>\$ 518,866</u>	<u>\$ 571,160</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, 2021

	Cemetery Fund	Recreation Fund	Reappraisal Fund	Total
Revenues:				
Charges for Services	\$ 29,972	\$ 0	\$ 31,186	\$ 61,158
Donations	656	0	0	656
Investment Income	125	0	2,248	2,373
Total Revenues	30,753	0	33,434	64,187
Expenditures:				
General Government	0	0	170,884	170,884
Cemetery	74,150	0	0	74,150
Total Expenditures	74,150	0	170,884	245,034
Excess/(Deficiency) of Revenues Over Expenditures	(43,397)	0	(137,450)	(180,847)
Other Financing Sources/(Uses):				
Transfers In	39,428	0	0	39,428
Transfers Out	(3,704)	0	0	(3,704)
Total Other Financing Sources/(Uses)	35,724	0	0	35,724
Net Change in Fund Balances	(7,673)	0	(137,450)	(145,123)
Fund Balances - July 1, 2020	54,731	2,052	534,610	591,393
Fund Balances - June 30, 2021	\$ <u>47,058</u>	\$ <u>2,052</u>	\$ <u>397,160</u>	\$ <u>446,270</u>

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TOWN OF BARRE, VERMONT
 COMBINING SCHEDULE OF FUND NET POSITION
 INTERNAL SERVICE FUNDS
 JUNE 30, 2021

	Equipment Fund	Building Maintenance Fund	Total
<u>ASSETS</u>			
Current Assets:			
Due from Other Funds	\$ 0	\$ 248,004	248,004
Prepaid Expenses	3,807	0	3,807
Total Current Assets	3,807	248,004	251,811
Noncurrent Assets:			
Capital Assets:			
Buildings and Building Improvements	824,677	549,071	1,373,748
Machinery, Equipment and Vehicles	7,110,559	0	7,110,559
Less: Accumulated Depreciation	(4,830,160)	(220,749)	(5,050,909)
Total Noncurrent Assets	3,105,076	328,322	3,433,398
Total Assets	3,108,883	576,326	3,685,209
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows of Resources Related to the Town's Participation in VMERS	73,209	0	73,209
Total Deferred Outflows of Resources	73,209	0	73,209
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	49,331	1,460	50,791
Accrued Payroll	4,357	0	4,357
Due to Other Funds	393,422	0	393,422
Notes Payable - Current Portion	138,762	0	138,762
General Obligation Bonds Payable - Current Portion	35,000	0	35,000
Total Current Liabilities	620,872	1,460	622,332
Noncurrent Liabilities:			
Compensated Absences Payable	25,612	0	25,612
Net Pension Liability	163,259	0	163,259
Notes Payable - Noncurrent Portion	176,741	0	176,741
General Obligation Bonds Payable - Noncurrent Portion	70,000	0	70,000
Total Noncurrent Liabilities	435,612	0	435,612
Total Liabilities	1,056,484	1,460	1,057,944
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows of Resources Related to the Town's Participation in VMERS	4,606	0	4,606
Total Deferred Inflows of Resources	4,606	0	4,606
<u>NET POSITION</u>			
Net Investment in Capital Assets	2,684,573	328,322	3,012,895
Unrestricted/(Deficit)	(563,571)	246,544	(317,027)
Total Net Position	\$ 2,121,002	\$ 574,866	\$ 2,695,868

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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, 2021

	Equipment Fund	Building Maintenance Fund	Total
Operating Revenues:			
Charges for Services	\$ 1,378,409	\$ 59,580	\$ 1,437,989
Other	<u>11,939</u>	<u>0</u>	<u>11,939</u>
Total Operating Revenues	<u>1,390,348</u>	<u>59,580</u>	<u>1,449,928</u>
Operating Expenses:			
Salaries and Benefits	324,550	0	324,550
Other Operating Expenses	456,351	17,093	473,444
Depreciation	<u>453,312</u>	<u>39,555</u>	<u>492,867</u>
Total Operating Expenses	<u>1,234,213</u>	<u>56,648</u>	<u>1,290,861</u>
Operating Income	<u>156,135</u>	<u>2,932</u>	<u>159,067</u>
Non-Operating Revenues/(Expenses):			
Loss on Sale of Equipment	(56,123)	0	(56,123)
Interest Expense	<u>(5,640)</u>	<u>0</u>	<u>(5,640)</u>
Total Non-Operating Revenues/(Expenses)	<u>(61,763)</u>	<u>0</u>	<u>(61,763)</u>
Change in Net Position	94,372	2,932	97,304
Net Position - July 1, 2020	<u>2,026,630</u>	<u>571,934</u>	<u>2,598,564</u>
Net Position - June 30, 2021	<u>\$ 2,121,002</u>	<u>\$ 574,866</u>	<u>\$ 2,695,868</u>

See Disclaimer in Accompanying Independent Auditor's Report.

Sullivan, Powers & Co., P.C.
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**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with "Government Auditing Standards"**

Board of 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, 2021 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 September 22, 2022. 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.

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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and deficiencies in internal control as item 2021-01, that we consider to be a significant deficiency.

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".

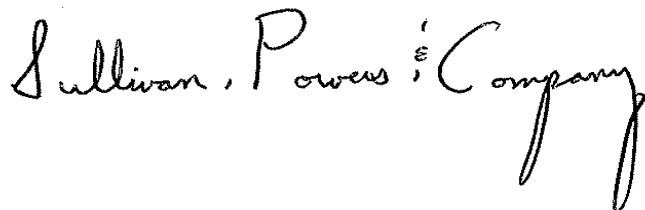
Town of Barre, Vermont's Response to Deficiencies in Internal Control

The Town of Barre, Vermont's response to the deficiency 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 performing 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.

September 22, 2022
Montpelier, Vermont
VT Lic. #92-000180



TOWN OF BARRE, VERMONT
SCHEDULE OF FINDINGS AND DEFICIENCIES IN INTERNAL CONTROL
JUNE 30, 2021

Deficiencies in Internal Control:

Material Weakness:

None noted.

Significant Deficiencies:

2021-01 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 did not have a policy in place until April 27, 2021 that required authorization or review of adjustments to the books of original entry or for the adjustments to be supported by appropriate documentation. Journal entries were 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 policy that requires appropriate officials to authorize and review all general journal entries be followed.



TOWN OF BARRE, VERMONT

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Sullivan, Powers and Company
77 Barre Street
Montpelier, VT 05601

RE: Deficiencies in Internal Controls

Dear Sullivan, Powers and Company,

This letter is in response to Audit Finding 2020-01 Authorization of General Journal Entries. We have been following the Adjusting Journal Entry Approval Policy approved on April 29, 2021 since that time. This policy, and its implementation, correct the deficiency found in our Fiscal Year 2020-2021 Audit.

Kind regards,

Katelyn Kran
Town of Barre
Finance Director