



**TOWN OF WILLISTON, VERMONT**

**FINANCIAL STATEMENTS**

**June 30, 2015**



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**A.M. PEISCH & COMPANY, LLP**  
SINCE 1920  
CERTIFIED PUBLIC ACCOUNTANTS  
& BUSINESS CONSULTANTS  
**INDEPENDENT AUDITOR'S REPORT**

To the Selectboard  
Town of Williston, Vermont  
Williston, Vermont

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of the Town of Williston, Vermont as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town'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 involves 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 entity'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 entity'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.

offices

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## *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Williston, Vermont, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## *Change in Accounting Principle*

As discussed in Note 1 to the financial statements, the 2015 opening net position for the year ended June 30, 2015 has been restated upon the adoption of the new accounting principles, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB No. 71, *Pension Transition For Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68*. Our opinions are not modified with respect to this matter.

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-12, the Schedule of the Town's Proportionate Share of the Net Pension Liability and the Schedule of the Town's Contributions on page 65 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 Williston, Vermont's basic financial statements. The combining financial statements for all nonmajor governmental funds, the special revenue funds, and the capital project funds are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining

fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2016 on our consideration of the Town of Williston, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Williston, Vermont's internal control over financial reporting and compliance.

*AM. Peisch & Company, LLP*

St. Albans, Vermont  
January 13, 2016  
VT Reg. No. 92-0000102

**TOWN OF WILLISTON, VERMONT  
MANAGEMENT DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2015**

Our discussion and analysis of the Town of Williston, Vermont's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2015. Please read it in conjunction with the Town's financial statements that begin with Exhibit A. This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives.

**Financial Highlights**

- The Town's net position (total assets and deferred outflows less total inflows and liabilities) increased by \$2,298,661 as a result of this year's operations. Net position of our business-type activities (Water and Sewer department operations) increased by \$571,531. Net position of our governmental activities increased by \$1,727,130.
- The cost of all of the Town's programs was \$12,074,792 this year, compared with \$11,389,308 last year.
- The General Fund reported an increase in fund balance this year of \$647,271 which was \$974,521 better than the budgeted use of fund balance of \$327,250.
- The fund balance for the General Fund was \$2,547,444 as of June 30, 2015, compared with a fund balance of 1,900,173 as of June 30, 2014.
- The Water Fund's net position decreased by \$23,598, or 0.2%, to \$8,771,948. The Sewer Fund's net position increased by \$613,053, or 4.5%, to \$14,231,379. The Meadowridge Sewer Fund decreased its net position by \$17,924 to \$536,849.

**Using This Annual Report**

This annual report consists of a series of financial statements. The first group includes the **Statement of Net Position and the Statement of Activities** (Exhibits A and B), which provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. The second group includes the **Fund financial statements**, which start on Exhibit C. For governmental activities, the Fund financial 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.

*Reporting the Town as a Whole — Statement of Net Position and the Statement of Activities*

The financial statements of the Town as a whole are reflected 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 economically 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 (net of accumulated depreciation), deferred inflows and outflows of resources and liabilities using the accrual basis of accounting, which is similar to the

accounting used by most private-sector companies. All of the current year's revenue and expenses are taken into account regardless of when cash is received or paid.

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, deferred inflows, deferred outflows and liabilities – 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, and water/sewer system infrastructure 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, fire, public works, parks/recreation and general administration. Property taxes, fees, 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 water and sewer system operations are reported here.

#### *Reporting the Town's Most Significant Funds — Fund Financial Statements*

The fund financial statements begin with Exhibit C 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 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 three major governmental funds for the Town are the General Fund, which contains most of the town operations (excluding water/sewer), the Public Works Facility Fund and Community Development Fund. Both of the proprietary funds (water and sewer) are also major funds. The Town's governmental and proprietary funds 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 a measurement focus based on *current financial resources*, 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* on Exhibits D and F.
- **Proprietary funds** – The Town's Water, Meadowridge Sewer and Sewer Funds are all treated as enterprise funds (i.e. business-type activities), within the proprietary fund category. When the Town charges customers for the services it provides (whether to outside customers or to other funds 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. Since they use the same accounting basis, the Town's enterprise fund statements in Exhibits H-J are the same as the business-type activities we report in the government-wide statements. Exhibits H-J provide more detail and additional information, such as cash flows.

*The Town as Agent*

The Town is the trustee, or fiduciary, for various activities. All of the Town's fiduciary activities are reported in a separate Statement of Fiduciary Net Position on Exhibit K. We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**The Town as a Whole**

The Town's combined net position for the Governmental and Business-type activities increased by \$2,298,661 from a year ago – increasing from \$49,819,289 to \$52,117,950. 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. Recall that "net position" is equal to the difference between total assets (after accumulated depreciation) plus deferred outflows less total liabilities and deferred inflows.

Table 1  
Net Position

	Governmental Activities 2015	Governmental Activities 2014	Business-type Activities 2015	Business-type Activities 2014
Current and other assets	\$ 8,720,161	\$11,284,881	\$ 6,205,163	\$ 5,602,774
Capital assets	31,107,676	27,379,720	19,030,501	19,045,844
Total assets	<u>39,827,837</u>	<u>38,664,601</u>	<u>25,235,664</u>	<u>24,648,618</u>
Deferred Outflows, pension	189,197	-	19,112	-
Long term liabilities	10,166,911	10,812,389	1,883,704	1,769,731
Other liabilities	797,635	835,774	(200,064)	(89,758)
Total liabilities	<u>10,964,546</u>	<u>11,648,163</u>	<u>1,683,640</u>	<u>1,679,973</u>
Taxes and fees collected in advance	168,419	165,794	-	-
Deferred Inflows, pension	306,295	-	30,960	-
Total Deferred Inflows of Resources	<u>474,714</u>	<u>165,794</u>	<u>30,960</u>	<u>-</u>
Net position:				
Net investment in capital assets	21,529,824	16,783,736	17,161,439	17,279,087
Restricted	3,718,231	6,443,997	1,956,783	1,912,875
Unrestricted	3,329,719	3,622,911	4,421,954	3,776,683
Total net position	<u>\$ 28,577,774</u>	<u>\$26,850,644</u>	<u>\$23,540,176</u>	<u>\$22,968,645</u>

Table 1 - Continued  
Net Position

	Total Primary Government 2015	Total Primary Government 2014
Current and other assets	\$ 14,925,324	\$16,887,655
Capital assets	50,138,177	46,125,564
Total assets	65,063,501	63,013,219
Deferred outflows, Pension	208,309	-
Long term liabilities	12,050,615	12,582,120
Other liabilities	597,571	746,016
Total liabilities	12,648,186	13,328,136
Taxes and fees collected in advance	168,419	165,794
Deferred Inflows, pension	337,255	-
Total Deferred Inflows of Resources	505,674	165,794
Net position:		
Net investment in capital assets	38,691,263	34,062,823
Restricted	5,675,014	8,356,872
Unrestricted	7,751,673	7,399,594
Total net position	\$ 52,117,950	\$49,819,289

Net position of the Town's governmental activities increased by \$1,727,130, or approximately 6.4%, (\$28,577,774 compared to \$26,850,644) in fiscal year 2015. The amount invested in capital assets, net of related debt increased by \$4,746,088, due to the construction of the new public works facility. Total restricted net position decreased by \$2,725,766 and unrestricted net position decreased by \$293,192. See our explanation later in this report of differences in actual compared to budget.

The net position of our business-type activities (the Water, Meadowridge Sewer & Sewer departments) increased by \$571,531 (\$23,540,176 compared to 22,968,645) in fiscal year 2015. The Town can only use this net position to finance the continuing operations of the water and sewer systems.

Table 2- Change in Net Position

	Governmental Activities 2015	Business-type Activities 2015	Total Primary Government 2015	Governmental Activities 2014	Business-type Activities 2014	Total Primary Government 2014
<b>REVENUES</b>						
Program revenues:						
Charges for services	\$ 1,475,580	\$ 2,776,883	\$ 4,252,463	\$ 1,163,875	\$ 2,539,910	\$ 3,703,785
Operating grants	391,555	-	391,555	722,333	-	722,333
Capital grants	592,025	310,393	902,418	446,072	475,976	922,048
General revenues:						
Property taxes	4,741,730	-	4,741,730	4,364,269	-	4,364,269
Local options tax	2,980,466	-	2,980,466	2,760,895	-	2,760,895
Investment earnings	25,049	9,359	34,408	25,578	7,177	32,755
Gain on sale of assets	810,178	60,557	870,735	-	-	-
Host fees and other general revenue	439,073	-	439,073	578,862	-	578,862
<b>Total revenues</b>	<b>11,455,656</b>	<b>3,157,192</b>	<b>14,612,848</b>	<b>10,061,884</b>	<b>3,023,063</b>	<b>13,084,947</b>
<b>PROGRAM EXPENSES</b>						
General government	1,424,404	-	1,424,404	1,433,416	-	1,433,416
Public safety	4,052,281	-	4,052,281	3,837,058	-	3,837,058
Public works	2,370,394	-	2,370,394	2,255,389	-	2,255,389
Cemetery	32,479	-	32,479	30,229	-	30,229
Culture and recreation	1,236,918	-	1,236,918	1,164,070	-	1,164,070
Interest on long-term debt	394,631	-	394,631	394,046	-	394,046
Water	-	1,177,991	1,177,991	-	1,032,254	1,032,254
Meadowridge sewer	-	17,924	17,924	-	18,938	18,938
Sewer	-	1,367,770	1,367,770	-	1,223,908	1,223,908
<b>Total program expenses</b>	<b>9,511,107</b>	<b>2,563,685</b>	<b>12,074,792</b>	<b>9,114,208</b>	<b>2,275,100</b>	<b>11,389,308</b>
Restatement, new accounting rules	(217,419)	(21,976)	(239,395)	-	-	-
<b>Increase in net position</b>	<b>\$ 1,727,130</b>	<b>\$ 571,531</b>	<b>\$ 2,298,661</b>	<b>\$ 947,676</b>	<b>\$ 747,963</b>	<b>\$ 1,695,639</b>

Table 3 presents the cost of each of the Town's largest programs – general government, public safety, public works, culture and recreation, cemetery, and interest on long term debt – 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

	Total Cost of Services 2015	Net Cost of Services 2015	Total Cost of Services 2014	Net Cost of Services 2014
General government	\$ 1,424,404	\$ 1,095,459	\$ 1,433,416	\$ 1,038,239
Public safety	4,052,281	3,490,253	3,837,058	3,340,443
Public works	2,370,394	1,058,595	2,255,389	1,032,688
Parks and recreation	640,112	396,982	590,873	391,192
Library	596,806	592,360	573,197	562,537
Cemetery	32,479	23,667	30,229	22,783
Interest on long-term debt	394,631	394,641	394,046	394,046
<b>Totals</b>	<b>\$ 9,511,107</b>	<b>\$ 7,051,957</b>	<b>\$ 9,114,208</b>	<b>\$ 6,781,928</b>

*Reporting on the Town's Individual Funds – Fund Financial Statements*

As the Town completed the year, its governmental funds (as presented in the Balance Sheet on Exhibit C) reported a combined fund balance of \$6,865,439, which is \$2,474,654 less than last year's total of \$9,340,093. The General Fund increased by \$647,271 and the other governmental funds decreased by \$3,121,925. The major reasons for the increases and decrease in other governmental funds are:

- The Host Town fund balance decreased by \$63,931, due to host town expenses exceeding revenues. Spending in 2015 for projects not completed in 2014 such as energy efficiency, Mud Pond boardwalk and park improvements accounted for the extra spending.
- The Conservation Fund fund balance decreased by \$185,887 due to the purchase of conservation easements on the Bruce farm.
- The Recreation Fund fund balance increased by \$50,838 due to higher than usual impact fee revenue from new housing projects, and no capital improvements being made in 2015.
- The Brick Church Fund spent all its funds, \$13,725, on the replacement of the front steps and the fund was closed.
- The Equipment Replacement Fund fund balance increased by \$96,786 due to money set aside for future purchases exceeding equipment purchases in 2015.
- The Public Works Facility Fund fund balance decreased by \$2,840,954 as bond proceeds were spent for building construction.
- The Sidewalk Fund fund balance decreased by \$65,150 due to capital expenditures for sidewalk construction at Knight Lane and Route 2A.
- The Road Improvement Fund fund balance decreased by \$134,362 due to capital expenditures for the construction of the Zephyr to Talcott Road connector.

*General Fund Budgetary Highlights*

During the year the Town Selectboard members review actual to budget monthly comparisons in order to monitor financial activity.

Exhibit G compares actual results for fiscal year 2015 to the approved budget for the General Fund. Revenues were more than expenditures and transfers by \$647,271 which was \$974,521 better than the budget. None of the budgeted use of Fund Balance of \$327,250, was used. The most significant variances were as follows:

	Variance Favorable/ (Unfavorable)
<b>REVENUES</b>	
Property and related taxes	124,203
Local option tax	180,466
Town clerk fees	(27,390)
Ambulance fees	(53,313)
<b>EXPENDITURES</b>	
Police department	189,842
Firefighting & emergency medical services	57,977
Manager's office	25,259
Planning and zoning	40,313
Town clerk's office	27,433
Public works (less Stormwater)	83,382
Stormwater	152,910

Property taxes exceeded budget due to payments from some large delinquent accounts. Local option taxes exceeded budget due to extraordinary revenue for the summer 2014 quarter. Clerk fees were under budget due to fewer recording fees and ambulance revenue was under budget due to insurance reimbursement issues and collection issues.

On the expenditure side there were several large variances from budget. There were savings in police patrol wages and benefits due to staff vacancies. Firefighting and emergency medical service were under budget due to a staff vacancy for part of the year. There were savings in the manager's office in wages and benefits. Savings were realized in the Planning office due to under spending on wages and consulting services. There were savings in the Clerk's office from wages and office supplies. The Highway department had savings in wages, benefits, line striping and capital projects. The Stormwater department had under spending for wages, outside services, state fees, stormwater maintenance and flow restoration. The under spending was due to the department being operational for only the second half of the year.

### *Water and Sewer Highlights*

Exhibit I shows actual results for the Water, Meadowridge Sewer and Sewer Funds for fiscal year 2015. Operating revenues exceeded operating expenses (not including depreciation) by \$36,279 in the Water Fund. Revenues exceeded expenses (not including depreciation and amortization) by \$215,706 in the Sewer Fund. Please note that the Sewer Fund includes the Sewer Capital Fund, Sewer Capacity Fund, and Sewer Construction Fund. The Water Fund includes the Water Capital Fund. When non-operating revenues and the expense for depreciation are included, the Water Fund had an operating loss of \$12,610, the Meadowridge Sewer Fund had an operating loss of \$17,924 and the Sewer Fund had an operating surplus of \$624,041.

In the Water Fund, while user fees were under budget by \$19,850, hook on fees and other revenue were \$62,096 over budget due to new housing and commercial construction. Water line maintenance costs were over budget by \$93,140 due to one very large line break. Water purchased was under budget by \$19,050. In addition to regular revenues and expenses, \$212,333 was charged to the fund for accumulated depreciation of existing lines and equipment.

In FY12, the Town started a new utility, the Meadowridge Sewer Fund, which was begun to provide sewer service for the Meadowridge development. The Town borrowed money through the State of Vermont Revolving Loan fund to pay for the infrastructure to bring the Meadowridge flow to the Town's sewer lines. The Meadowridge homeowners pay the debt on that loan. This fund saw an increase in fund balance in 2013 because the entire amount due from the homeowners was recorded as revenue in 2013. In 2014 and subsequent years this will decrease as the homeowners pay down this receivable and the fund records depreciation on its assets. In 2015 these amounts totaled \$17,924.

In the Sewer Fund, user fees exceeded budget by \$23,615. Hook on fees and allocation revenue exceeded budget by \$260,484 due to new housing and commercial construction. Total regular expenses were under budget by \$350,494. In addition to regular revenues and expenses, \$303,712 was charged to the fund for accumulated depreciation of existing lines and equipment and amortization of capacity rights.

## Capital Asset and Debt Administration

### Capital Assets

At June 30, 2015, the Town had \$50,138,177 invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, and water and sewer lines (See Table 4 below). This amount represents a net increase (including additions and deductions) of \$3,712,613 compared to last year.

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

	Governmental	Business-type	Totals	Governmental	Business-type	Totals
	Activities	Activities		Activities	Activities	
	2015	2015	2015	2014	2014	2014
Land	\$ 3,351,688	\$ 383,099	\$ 3,734,787	\$ 3,398,588	\$ 383,099	\$ 3,781,687
Construction in progress	175,594	7,799	183,393	464,766	19,755	484,521
Buildings and improvements	11,848,231	-	11,848,231	8,095,496	35,250	8,130,746
Vehicles and equipment	3,089,535	444,980	3,534,515	3,234,872	282,253	3,517,125
Infrastructure	12,642,628	-	12,642,628	12,185,998	-	12,185,998
Water and sewer systems	-	18,194,623	18,194,623	-	18,325,487	18,325,487
<b>Totals</b>	<b>\$ 31,107,676</b>	<b>\$ 19,030,501</b>	<b>\$ 50,138,177</b>	<b>\$ 27,379,720</b>	<b>\$ 19,045,844</b>	<b>\$ 46,425,564</b>

This year's additions were:

<b>Governmental Activities</b>	
Land	\$ (46,900)
Roads and paths	1,241,995
Buildings & improvements	3,979,773
Various construction in process	(289,172)
Various vehicles and equipment	112,599
Subtotal	<u>4,998,295</u>
<b>Business-Type Activities</b>	
Buildings & improvements	(75,000)
Construction in progress	(11,956)
Vehicles & equipment	186,953
Distribution lines	296,485
Subtotal	<u>396,482</u>
<b>Total</b>	<u><u>\$ 5,394,777</u></u>

### UPCOMING CAPITAL PROJECTS

Capital projects in the Town's FY 2016 budget for Governmental Funds include municipal energy efficiency upgrades, library air conditioning upgrade, park improvements and savings for various vehicles and equipment.

Capital projects planned in FY 2016 within the Business-type activity group include replacement of the water main under a portion of Williston Road when the State of Vermont reconstruction of the road occurs, sewer pump station upgrades, treatment plant upgrades, the purchase of additional sewer capacity, continued work on flow restoration of the Allen Brook and various watershed improvements.

## Debt Administration

At June 30, 2015, the Town had \$11,691,778 in bonds and notes outstanding versus \$12,362,742 on June 30, 2014 - as shown in Table 5.

Table 5  
Changes in Long-Term Debt

	Governmental Bonds, Notes	Business-type Bonds, Notes	Total Bonds, Notes
Balance - June 30, 2014	\$ 10,595,985	\$ 1,766,757	\$ 12,362,742
Debt proceeds	-	178,673	178,673
Debt forgiveness	-	(8,193)	(8,193)
Principal payments	(773,269)	(68,175)	(841,444)
Balance - June 30, 2015	<u>\$ 9,822,716</u>	<u>\$ 1,869,062</u>	<u>\$ 11,691,778</u>

New debt in the business-type funds was for sewer pump station improvements at Gallop Hill.

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

The Town's elected and appointed officials considered many factors when setting the fiscal year 2016 budget, tax rates and fees that will be charged for the business-type activities. In the late winter and early spring of 2016 there was evidence that the economy in Vermont and the nation continued to improve. At Town Meeting in March the voters approved a budget with a one cent increase for municipal taxes. In setting the tax rate for 2016, the Selectboard reviewed the 2015 budget performance. They observed that expenditures were under budget and revenues were sufficient to end the year with a surplus. The Town's General Fund fund balance at June 30, 2015 was \$2,547,444. This is above the Town's upper guidelines which call for a fund balance between 10% and 20% of the operating budget. The 2016 budget called for use of \$467,250 of fund balance to support expenses. This would result in a June 2016 fund balance of \$2,080,194, still within policy guidelines, but at the upper end. With this information in mind, the Selectboard set the tax rate at \$0.2800. The Selectboard also voted to increase the water rates from \$4.22 to \$4.30 per thousand gallons, and the sewer rate from \$6.35 to \$6.48 per thousand gallons. The water rate was raised enough to cover the increasing costs for water supply and to build reserves for repairs to the aging water system. The sewer rates were raised to cover the costs of sewer treatment, sewer plant repairs and the purchase of additional sewer capacity.

### 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 Office at Town of Williston, 7900 Williston Road, Williston, Vermont.

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF NET POSITION**  
June 30, 2015

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 6,491,686	\$ 3,267,758	\$ 9,759,444
Receivables, net of allowance for uncollectibles	1,248,776	454,255	1,703,031
Loans receivable - Current	-	30,432	30,432
Loans receivable - Long term	770,900	501,855	1,272,755
Prepaid expenses	208,799	-	208,799
Other assets:			
Prepaid capacity rights, net of amortization	-	1,950,863	1,950,863
Capital assets:			
Land	3,351,688	383,099	3,734,787
Construction in progress	175,594	7,799	183,393
Other capital assets, net of accumulated depreciation	<u>27,580,394</u>	<u>18,639,603</u>	<u>46,219,997</u>
 Total assets	 <u>39,827,837</u>	 <u>25,235,664</u>	 <u>65,063,501</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources - pension	<u>189,197</u>	<u>19,112</u>	<u>208,309</u>
<b>LIABILITIES</b>			
Accounts payable	302,748	-	302,748
Accrued payroll and benefits payable	168,381	-	168,381
Accrued interest payable	46,219	18,962	65,181
Internal balances	219,026	(219,026)	-
Due to agency funds	3,962	-	3,962
Due to other governments	1,848	-	1,848
Due to school	41,337	-	41,337
Unearned revenue	14,114	-	14,114
Noncurrent liabilities:			
Bonds and capital leases due within one year	775,264	107,166	882,430
Bonds and capital leases due in more than one year	9,047,452	1,761,896	10,809,348
Accrued compensated absences	244,864	4,602	249,466
Net pension liability	<u>99,331</u>	<u>10,040</u>	<u>109,371</u>
 Total liabilities	 <u>10,964,546</u>	 <u>1,683,640</u>	 <u>12,648,186</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Taxes and fees collected in advance	168,419	-	168,419
Deferred inflows of resources - pension	<u>306,295</u>	<u>30,960</u>	<u>337,255</u>
 Total deferred inflows of resources	 <u>474,714</u>	 <u>30,960</u>	 <u>505,674</u>
<b>NET POSITION</b>			
Net investment in capital assets	21,529,824	17,161,439	38,691,263
Restricted for:			
Cemeteries	127,661	-	127,661
Capital projects	2,023,060	1,956,783	3,979,843
Community development	770,900	-	770,900
Other	796,610	-	796,610
Unrestricted	<u>3,329,719</u>	<u>4,421,954</u>	<u>7,751,673</u>
 Total net position	 <u>\$ 28,577,774</u>	 <u>\$ 23,540,176</u>	 <u>\$ 52,117,950</u>

See accompanying notes.

**EXHIBIT B**

**TOWN OF WILLISTON, VERMONT  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2015**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental activities:</b>							
General government	\$ 1,424,404	\$ 292,652	\$ 2,315	\$ 33,978	\$ (1,095,459)	\$ -	\$ (1,095,459)
Public safety	4,052,281	372,099	184,929	5,000	(3,490,253)	-	(3,490,253)
Public works	2,370,394	558,887	199,865	553,047	(1,058,595)	-	(1,058,595)
Parks and recreation	640,112	243,130	-	-	(396,982)	-	(396,982)
Library	596,806	-	4,446	-	(592,360)	-	(592,360)
Cemetery	32,479	8,812	-	-	(23,667)	-	(23,667)
Interest on long-term debt	394,631	-	-	-	(394,631)	-	(394,631)
Total governmental activities	9,511,107	1,475,580	391,555	592,025	(7,051,947)	-	(7,051,947)
<b>Business-type activities:</b>							
Water	1,177,991	1,077,356	-	56,210	-	(44,425)	(44,425)
Meadowridge sewer	17,924	-	-	-	(17,924)	-	(17,924)
Wastewater	1,367,770	1,699,527	-	254,183	585,940	-	585,940
Total business-type activities	2,563,685	2,776,883	-	310,393	523,591	-	523,591
<b>Total</b>	<b>\$ 12,074,792</b>	<b>\$ 4,252,463</b>	<b>\$ 391,555</b>	<b>\$ 902,418</b>	<b>(7,051,947)</b>	<b>523,591</b>	<b>(6,528,356)</b>
<b>General revenues:</b>							
Property taxes					4,579,958	-	4,579,958
Payment in lieu of taxes					110,734	-	110,734
Interest and penalties on delinquent taxes					51,038	-	51,038
Local option tax					2,980,466	-	2,980,466
Investment earnings					25,049	9,359	34,408
Town host fees					338,464	-	338,464
Gain on sale of assets					810,178	60,557	870,735
Public works rental income					43,940	-	43,940
Other income					56,669	-	56,669
Total general revenues					8,996,496	69,916	9,066,412
Change in net position					1,944,549	593,507	2,538,056
Net position - July 1, 2014, as previously stated					26,850,644	22,968,645	49,819,289
Restatement upon adoption of new accounting principle					(217,419)	(21,976)	(239,395)
Net position - July 1, 2014, as restated					26,633,225	22,946,669	49,579,894
Net position - June 30, 2015					\$ 28,577,774	\$ 23,540,176	\$ 52,117,950

See accompanying notes.

**TOWN OF WILLISTON, VERMONT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
June 30, 2015

	General Fund	Community Development Fund	Public Works Building Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash	\$ 2,944,454	\$ -	\$ -	\$ 3,547,232	\$ 6,491,686
Receivables, net of allowance for uncollectibles	1,051,767	-	-	197,009	1,248,776
Loans receivable - Long term	-	770,900	-	-	770,900
Prepaid expenses	208,799	-	-	-	208,799
Due from other funds	-	-	669,300	28,585	697,885
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 4,205,020</u>	<u>\$ 770,900</u>	<u>\$ 669,300</u>	<u>\$ 3,772,826</u>	<u>\$ 9,418,046</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 302,748	\$ -	\$ -	\$ -	\$ 302,748
Accrued payroll and benefits payable	168,381	-	-	-	168,381
Due to other funds	806,894	-	-	110,017	916,911
Due to agency funds	3,962	-	-	-	3,962
Due to other governments	1,848	-	-	-	1,848
Due to school	41,337	-	-	-	41,337
Unearned revenue	-	770,900	-	14,114	785,014
	<u>-</u>	<u>770,900</u>	<u>-</u>	<u>14,114</u>	<u>785,014</u>
Total liabilities	<u>1,325,170</u>	<u>770,900</u>	<u>-</u>	<u>124,131</u>	<u>2,220,201</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Taxes and fees collected in advance	168,419	-	-	-	168,419
Unavailable revenue - taxes	163,987	-	-	-	163,987
	<u>168,419</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>168,419</u>
Total deferred inflows of resources	<u>332,406</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>332,406</u>
<b>FUND BALANCES</b>					
Nonspendable - Prepaids	208,799	-	-	-	208,799
Nonspendable - Cemetery	-	-	-	126,723	126,723
Restricted	-	-	669,300	1,710,053	2,379,353
Committed	-	-	-	619,807	619,807
Assigned	-	-	-	1,192,112	1,192,112
Unassigned	2,338,645	-	-	-	2,338,645
	<u>2,338,645</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,338,645</u>
Total fund balances	<u>2,547,444</u>	<u>-</u>	<u>669,300</u>	<u>3,648,695</u>	<u>6,865,439</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,205,020</u>	<u>\$ 770,900</u>	<u>\$ 669,300</u>	<u>\$ 3,772,826</u>	<u>\$ 9,418,046</u>

See accompanying notes.

**TOWN OF WILLISTON, VERMONT**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS**  
**BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
**June 30, 2015**

Total fund balances - Governmental funds	\$ 6,865,439
Amounts reported for governmental activities in the statement of net position are different because:	
Delinquent property taxes that are not collected within 60 days of year end are reported as unavailable revenue in the governmental funds.	163,987
Net pension liability and deferred outflows related to the pension plan are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(117,098)
Capital assets used in governmental activities are not financial resources and, therefore are not reported as assets in the governmental funds. The cost of the assets is \$41,368,578, and the accumulated depreciation is \$10,260,902.	31,107,676
Unearned revenues are not available to pay for current-period expenditures and, therefore, are not reported in the governmental funds.	770,900
Long-term and related accrued liabilities are not due or payable in the current period and, therefore, are not reported in the governmental funds.	<u>(10,213,130)</u>
Total net position - Governmental activities	<u>\$ 28,577,774</u>

See accompanying notes.

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2015**

	General Fund	Community Development Fund	Public Works Building Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Property taxes	\$ 4,635,393	\$ -	\$ -	\$ -	\$ 4,635,393
Payment in lieu of taxes	110,734	-	-	-	110,734
Interest and penalties on property taxes	49,532	-	-	-	49,532
Local option tax	2,980,466	-	-	-	2,980,466
Investment interest	14,959	-	94	9,996	25,049
Licenses, permits and fees	362,784	-	-	452,025	814,809
Intergovernmental revenues	160,407	-	-	441,563	601,970
Charges for services	992,135	-	-	7,100	999,235
Donations	-	-	-	9,905	9,905
Public works rental income	43,940	-	-	-	43,940
Other revenues	35,378	-	18,640	30,098	84,116
<b>Total revenues</b>	<u>9,385,728</u>	<u>-</u>	<u>18,734</u>	<u>950,687</u>	<u>10,355,149</u>
<b>EXPENDITURES</b>					
General government	1,384,942	-	-	11,992	1,396,934
Public safety	3,338,968	-	-	232,269	3,571,237
Public works	1,275,367	-	76,500	56,522	1,408,389
Parks and recreation	538,163	-	-	12,029	550,192
Library	593,387	-	-	3,419	596,806
Cemetery	-	-	-	31,419	31,419
Debt service:					
Principal	773,269	-	-	-	773,269
Interest	378,298	-	-	15,710	394,008
Capital outlay:					
General government	-	-	-	56,377	56,377
Public safety	4,472	-	-	102,540	107,012
Public works	425,411	-	3,793,158	730,384	4,948,953
Parks and recreation	-	-	-	38,997	38,997
<b>Total expenditures</b>	<u>8,712,277</u>	<u>-</u>	<u>3,869,658</u>	<u>1,291,658</u>	<u>13,873,593</u>
Excuss (deficiency) of revenues over expenditures	<u>673,451</u>	<u>-</u>	<u>(3,850,924)</u>	<u>(340,971)</u>	<u>(3,518,444)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	294,120	294,120
Transfers out	(60,000)	-	-	(234,120)	(294,120)
Proceeds from sale of assets	33,820	-	1,009,970	-	1,043,790
<b>Total other financing sources (uses)</b>	<u>(26,180)</u>	<u>-</u>	<u>1,009,970</u>	<u>60,000</u>	<u>1,043,790</u>
<b>Net change in fund balances</b>	<u>647,271</u>	<u>-</u>	<u>(2,840,954)</u>	<u>(280,971)</u>	<u>(2,474,654)</u>
Fund balances - July 1, 2014	<u>1,900,173</u>	<u>-</u>	<u>3,510,254</u>	<u>3,929,666</u>	<u>9,340,093</u>
Fund balances - June 30, 2015	<u>\$ 2,547,444</u>	<u>\$ -</u>	<u>\$ 669,300</u>	<u>\$ 3,648,695</u>	<u>\$ 6,865,439</u>

See accompanying notes.

**TOWN OF WILLISTON, VERMONT**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT**  
**OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2015**

Total net change in fund balances - governmental funds	\$ (2,474,654)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>	
<p>Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:</p>	
Capital asset purchases capitalized	\$ 5,921,347
Depreciation expense	(1,547,758)
Net effect of sales and trade ins	<u>(645,634)</u>
Capital asset additions, net of depreciation, sales and trade ins	3,727,955
<p>In the statement of activities, accrued compensated absences are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, compensated absences earned exceeded the amounts used by \$28,460.</p>	
	(28,460)
<p>Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. Accrued interest on bonds increased this year.</p>	
	(623)
<p>Taxes are recognized as revenue when levied in the government-wide financial statements, but are not reported as income in governmental funds until they are available to meet current obligations.</p>	
	(53,929)
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>	
	773,269
<p>Pension expense is recognized in the governmental funds based on current year employer matching contributions. Pension expense in the statement of activities is based on the net change in net pension liability.</p>	
	<u>991</u>
Change in net position of governmental activities	<u>\$ 1,944,549</u>

See accompanying notes.

TOWN OF WILLISTON, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended June 30, 2015

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Property taxes	\$ 4,511,190	\$ 4,635,393	\$ 124,203
Payments in lieu of taxes	95,000	110,734	15,734
Interest and penalties on property taxes	70,000	49,532	(20,468)
Local option tax	2,800,000	2,980,466	180,466
Investment interest	15,000	14,959	(41)
Licenses, permits, and fees:			
Town clerk fees:			
Recording legal documents	125,000	91,403	(33,597)
Copies of vital certificates	5,200	5,656	456
Issuing licenses - Municipal portion	35,000	39,920	4,920
Use of town copier	11,500	12,205	705
Vault time	3,500	2,522	(978)
Miscellaneous	1,000	2,530	1,530
Alcoholic beverage licenses	3,500	3,200	(300)
Dog licenses	6,300	5,499	(801)
Listers' office copies	-	675	675
Total town clerk fees	191,000	163,610	(27,390)
Planning and zoning:			
Planning fees	20,000	18,590	(1,410)
Permits	100,000	110,452	10,452
Total planning and zoning	120,000	129,042	9,042
Public safety:			
Miscellaneous	5,250	4,252	(998)
Court fines	35,000	41,487	6,487
False alarm fees	10,000	19,700	9,700
Fire and rescue fees	1,500	4,693	3,193
Total public safety	51,750	70,132	18,382
Total licenses, permits and fees	362,750	362,784	34
Intergovernmental revenues:			
Highway:			
State aid	159,180	160,407	1,227
Total highway	159,180	160,407	1,227

(Continued)

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended June 30, 2015**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Total intergovernmental revenues	<u>159,180</u>	<u>160,407</u>	<u>1,227</u>
Charges for services:			
Highway:			
Consulting engineers	1,000	-	(1,000)
Miscellaneous	31,140	42,513	11,373
Highway lease revenue	8,240	11,914	3,674
Emergency revenue	-	11,345	11,345
Right of way use fee	<u>8,000</u>	<u>12,200</u>	<u>4,200</u>
Total highway	<u>48,380</u>	<u>77,972</u>	<u>29,592</u>
Highway stormwater - user receipts	<u>367,040</u>	<u>369,066</u>	<u>2,026</u>
Cultural and recreational:			
Explorer day camp	54,000	56,051	2,051
Adventurer day camp	41,000	44,006	3,006
Teen day camp	21,000	23,371	2,371
Youth soccer	6,000	4,410	(1,590)
Fourth of July	-	25	25
Youth basketball	5,000	6,230	1,230
Field use	5,500	8,275	2,775
Spring/summer programs	41,000	59,687	18,687
Fall programs	500	4,865	4,365
Winter programs	10,000	9,869	(131)
Ski program	19,000	21,729	2,729
Senior Center programs	3,500	3,027	(473)
After school program	<u>4,000</u>	<u>1,585</u>	<u>(2,415)</u>
Total cultural and recreational	<u>210,500</u>	<u>243,130</u>	<u>32,630</u>
Fire and rescue:			
Ambulance fees	<u>355,280</u>	<u>301,967</u>	<u>(53,313)</u>
Total fire and rescue	<u>355,280</u>	<u>301,967</u>	<u>(53,313)</u>
Total charges for services	<u>981,200</u>	<u>992,135</u>	<u>10,935</u>
Public works building rent	-	43,940	43,940
Other revenues:			
Miscellaneous	1,100	9,969	8,869
Rental of town buildings	4,000	3,409	(591)
Reimbursement for town services	<u>22,000</u>	<u>22,000</u>	<u>-</u>
Total other revenues	<u>27,100</u>	<u>35,378</u>	<u>8,278</u>

(Continued)

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended June 30, 2015**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Total revenues	<u>9,021,420</u>	<u>9,385,728</u>	<u>364,308</u>
<b>EXPENDITURES</b>			
General government:			
General administration:			
Selectboard:			
Salaries and benefits	5,720	4,629	1,091
Discretionary fund	6,700	6,700	-
Other expenses	<u>9,000</u>	<u>7,203</u>	<u>1,797</u>
Total selectboard	<u>21,420</u>	<u>18,532</u>	<u>2,888</u>
Town manager:			
Salary	71,540	71,540	-
Office staff salary	21,240	17,928	3,312
Salary discretionary	17,690	8,400	9,290
Sick and vacation pay	10,000	-	10,000
Benefits	28,860	28,285	575
Mileage	650	539	111
Training and conferences	3,500	3,543	(43)
Property and casualty insurance	5,200	4,305	895
Town report	1,600	2,204	(604)
Building maintenance	13,510	12,488	1,022
Office supplies	3,500	2,381	1,119
Telephone and postage	2,600	2,258	342
Other expenses	<u>2,500</u>	<u>3,260</u>	<u>(760)</u>
Total town manager	<u>182,390</u>	<u>157,131</u>	<u>25,259</u>
Finance:			
Wages	73,500	70,526	2,974
Benefits	31,010	26,615	4,395
Audit fees	<u>23,000</u>	<u>13,916</u>	<u>9,084</u>
Total finance	<u>127,510</u>	<u>111,057</u>	<u>16,453</u>
Board of listers:			
Salaries	1,100	742	358
Assistant assessor	26,460	26,690	(230)
Clerical salary	18,020	11,882	6,138
Benefits	4,000	3,233	767
Mileage	200	207	(7)
Training/conference fees	-	75	(75)
Professional services	1,250	650	600
Contracted assessor	18,500	21,290	(2,790)
Service contracts	4,300	4,568	(268)
Office supplies	800	945	(145)

(Continued)

TOWN OF WILLISTON, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended June 30, 2015

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Office equipment	1,500	213	1,287
Telephone and postage	300	243	57
Tax maps	2,900	-	2,900
Total board of listers	79,330	70,738	8,592
Technology:			
Computer equipment	3,500	190	3,310
Computer applications	16,000	12,352	3,648
Total technology	19,500	12,542	6,958
Legal:			
Legal services	35,000	18,972	16,028
Total legal	35,000	18,972	16,028
Total general administration	465,150	388,972	76,178
Planning and zoning:			
Planning and zoning:			
Department salary	208,980	205,522	3,458
Benefits	86,430	81,096	5,334
Building maintenance	17,740	14,832	2,908
Mileage	600	558	42
Training and conferences	2,400	975	1,425
Subscriptions and dues	1,200	1,358	(158)
Professional services	4,000	1,482	2,518
Miscellaneous planning studies	5,000	-	5,000
Property and casualty insurance	3,470	2,870	600
Advertising	3,000	3,938	(938)
Office supplies	4,000	3,787	213
Equipment	1,000	-	1,000
Printing	3,000	2,560	440
Telephone and postage	1,800	1,616	184
GIS data management	3,400	2,790	610
Total planning and zoning	346,020	323,384	22,636
Conservation:			
Salary	30,430	21,688	8,742
Benefits	14,230	7,150	7,080
Mileage	800	610	190
Training, conferences, dues	1,000	640	360
Office supplies, mailing, ads	300	422	(122)
Match for grants	1,000	770	230
Intern	6,900	6,783	117
Trail maintenance and repair	6,000	4,920	1,080

(Continued)

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended June 30, 2015**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Total conservation	<u>60,660</u>	<u>42,983</u>	<u>17,677</u>
 Total planning and zoning	 <u>406,680</u>	 <u>366,367</u>	 <u>40,313</u>
 Town Clerk/Treasurer:			
Records, permits, licenses and cash management:			
Salary	47,800	47,684	116
Office staff	86,300	79,455	6,845
Benefits	60,340	51,159	9,181
Mileage	600	324	276
Training and conferences	2,700	1,807	893
Equipment rental and service contracts	4,500	3,026	1,474
Property and casualty insurance	5,200	4,305	895
Building maintenance	13,510	12,482	1,028
Office supplies	10,000	5,161	4,839
Office equipment	1,000	1,108	(108)
Telephone and postage	6,600	6,132	468
Total records, permits, licenses and cash management	<u>238,550</u>	<u>212,643</u>	<u>25,907</u>
 Elections:			
Town meeting salary	800	851	(51)
General election salary	1,600	1,374	226
Ballot printing	4,500	4,750	(250)
Postage	1,190	240	950
General election expenses	150	130	20
Town meeting expenses	700	69	631
Total elections	<u>8,940</u>	<u>7,414</u>	<u>1,526</u>
 Total town clerk/treasurer	 <u>247,490</u>	 <u>220,057</u>	 <u>27,433</u>
 Outside services:			
Regional services:			
Chittenden County Regional Planning	21,880	21,884	(4)
Winooski Valley Park District	32,000	32,000	-
Greater Burlington Industrial Corporation	2,000	2,000	-
County tax	78,760	79,489	(729)
Vermont League of Cities and Towns	9,850	9,846	4
Total regional services	<u>144,490</u>	<u>145,219</u>	<u>(729)</u>
 Transportation services:			
Bus service	168,630	168,630	-
SSTA project and CCTA ADA	44,620	40,265	4,355
Total transportation services	<u>213,250</u>	<u>208,895</u>	<u>4,355</u>

(Continued)

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended June 30, 2015**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Social services:			
Social service organizations	25,500	25,500	-
Residents assistance	1,000	999	1
Total social services	26,500	26,499	1
Health:			
Department salary and mileage	600	600	-
Visiting Nurse Association	28,000	28,000	-
Employee health and safety programs	600	333	267
Total health	29,200	28,933	267
Total outside services	413,440	409,546	3,894
Total general government	1,532,760	1,384,942	147,818
Public safety:			
Police Department:			
Police patrol services:			
Patrol salary	707,690	657,191	50,499
Overtime	106,240	150,253	(44,013)
Part-time officers' salaries	15,000	4,628	10,372
Benefits	388,340	316,603	71,737
Vehicle expense	24,000	11,982	12,018
Vehicle fuel	54,600	42,949	11,651
Mileage	400	10	390
Training and conferences	15,000	12,698	2,302
Equipment and uniforms	22,500	23,265	(765)
Total police patrol services	1,333,770	1,219,579	114,191
Police investigation services:			
Investigative salary	133,040	98,394	34,646
Overtime	10,000	5,185	4,815
Benefits	51,780	38,190	13,590
Investigation expenses	7,500	2,341	5,159
Chittenden unit for special investigations	13,400	13,399	1
Total police investigation services	215,720	157,509	58,211
Police communications:			
Dispatch salary	116,500	108,667	7,833
Benefits	53,050	25,646	27,404
Computer, communications	33,350	24,806	8,544
Radio repair	5,400	5,314	86
Total police communications	208,300	164,433	43,867

(Continued)

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended June 30, 2015**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Police administration:			
Administration salary	123,820	148,566	(24,746)
Benefits	35,450	41,784	(6,334)
Office supplies	14,000	12,433	1,567
Telephone and postage	12,340	13,853	(1,513)
Total police administration	185,610	216,636	(31,026)
Police special programs:			
Public service programs	1,000	1,091	(91)
Dog control and damage	2,500	2,509	(9)
Awards program	500	682	(182)
Total police special programs	4,000	4,282	(282)
Police building maintenance:			
Office cleaning	13,480	9,012	4,468
Outside maintenance	10,000	13,688	(3,688)
Property and casualty insurance	55,670	53,198	2,472
Heating fuel	6,300	5,426	874
Utilities	17,500	16,745	755
Total police building maintenance	102,950	98,069	4,881
Total Police Department	2,050,350	1,860,508	189,842
Fire and Rescue Department:			
Administration:			
Administration salary	121,140	122,295	(1,155)
Benefits	70,200	66,150	4,050
Subscriptions and dues	1,100	1,449	(349)
Office supplies	8,500	11,292	(2,792)
Office equipment	5,500	6,623	(1,123)
Telephone and postage	9,000	7,453	1,547
Personnel physicals	4,500	8,121	(3,621)
Personnel recognition	1,500	1,464	36
Total fire and rescue administration	221,440	224,847	(3,407)
Firefighting:			
On call firefighter wages	105,000	87,088	17,912
Career firefighter wages	227,250	243,997	(16,747)
Benefits	129,080	131,978	(2,898)
Training and conferences	5,600	5,638	(38)
Communications	2,680	2,761	(81)
Firefighting equipment	40,000	42,470	(2,470)
Fire prevention	2,500	2,341	159
Dispatch	49,840	41,477	8,363

(Continued)

TOWN OF WILLISTON, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended June 30, 2015

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Total firefighting	<u>561,950</u>	<u>557,750</u>	<u>4,200</u>
Fire and rescue maintenance:			
Maintenance wages	42,850	270	42,580
Benefits	22,990	21	22,969
Vehicle fuel	32,530	20,805	11,725
Equipment maintenance	44,000	47,133	(3,133)
Small equipment purchases	-	22,447	(22,447)
Total fire and rescue maintenance	<u>142,370</u>	<u>90,676</u>	<u>51,694</u>
Emergency medical services:			
On call rescue wages	90,000	95,167	(5,167)
Career rescue wages	227,250	244,573	(17,323)
Benefits	127,740	122,822	4,918
Training	8,200	6,848	1,352
Ambulance billing fees	19,100	18,312	788
Rescue medical supplies	15,800	15,343	457
Rescue equipment	2,680	2,680	-
Communications	16,400	16,530	(130)
Total emergency medical services	<u>507,170</u>	<u>522,275</u>	<u>(15,105)</u>
Facilities:			
Property and casualty insurance	35,330	30,134	5,196
Heating fuel	12,430	12,763	(333)
Utilities	17,130	16,533	597
Station maintenance	17,100	24,412	(7,312)
Total facilities	<u>81,990</u>	<u>83,842</u>	<u>(1,852)</u>
Total Fire and Rescue Department	<u>1,514,920</u>	<u>1,479,390</u>	<u>35,530</u>
Emergency preparedness:			
Training	2,100	704	1,396
Supplies and operation	2,000	2,838	(838)
Total emergency preparedness	<u>4,100</u>	<u>3,542</u>	<u>558</u>
Total public safety	<u>3,569,370</u>	<u>3,343,440</u>	<u>225,930</u>
Public works:			
Summer maintenance:			
Summer maintenance salary	139,370	128,340	11,030
Benefits	61,910	58,753	3,157
Uniforms	4,760	4,116	644
Consulting engineers	2,500	3,050	(550)
Garage operation	7,000	8,138	(1,138)

(Continued)

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended June 30, 2015**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Property and casualty insurance	10,050	9,624	426
Gravel and other materials	4,000	3,558	442
Chloride	9,680	7,553	2,127
Maintenance	40,000	35,788	4,212
Line striping	26,000	10,362	15,638
New construction	2,000	-	2,000
Equipment operation and repair	4,820	9,047	(4,227)
Vehicle fuel	10,270	7,388	2,882
Retreatment	420,000	426,532	(6,532)
Sidewalks	4,500	1,897	2,603
Miscellaneous and tools	2,850	1,302	1,548
Street signs	7,000	5,143	1,857
Landscaping	11,000	7,206	3,794
Highway capital expense - watershed	19,090	-	19,090
Total summer maintenance	<u>786,800</u>	<u>727,797</u>	<u>59,003</u>
Winter maintenance:			
Winter maintenance salary	133,370	128,340	5,030
Overtime	41,950	39,454	2,496
Benefits	68,980	66,243	2,737
Uniforms	4,760	4,116	644
Training and conferences	3,000	654	2,346
Equipment rental	75,460	55,920	19,540
Garage operations	7,000	8,138	(1,138)
Property and casualty insurance	10,050	9,624	426
Patch	2,000	2,369	(369)
Salt	120,000	144,689	(24,689)
Sand	11,030	8,097	2,933
Equipment operation and repair	14,460	27,141	(12,681)
Vehicle fuel	30,800	22,158	8,642
Miscellaneous and tools	2,930	1,339	1,591
Total winter maintenance	<u>525,790</u>	<u>518,282</u>	<u>7,508</u>
Highway general:			
Salaries, administration	81,160	80,499	661
Discretionary wages	4,770	2,000	2,770
Benefits	40,950	33,247	7,703
Admin. office maintenance	22,160	17,809	4,351
Street lights	44,000	39,589	4,411
New equipment purchase	2,800	-	2,800
Stormwater fees for roads	60,000	65,825	(5,825)
Total highway general	<u>255,840</u>	<u>238,969</u>	<u>16,871</u>
Highway Stormwater			
Stormwater administration:			

(Continued)

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended June 30, 2015**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Stormwater coordinator salary	63,000	43,170	19,830
Benefits	12,560	11,674	886
Consulting services	20,000	10,957	9,043
Billing Services	10,000	-	10,000
Workers compensation insurance	9,570	3,701	5,869
Property and casualty insurance	6,000	1,602	4,398
State fees	30,000	1,107	28,893
Computer Equipment	-	1,780	(1,780)
Office Supplies	-	1,935	(1,935)
Telephone and postage	-	3,067	(3,067)
Total stormwater administration	<u>151,130</u>	<u>78,993</u>	<u>72,137</u>
Stormwater maintenance:			
Stormwater management salary	66,690	64,170	2,520
Benefits	25,370	24,819	551
Uniforms	2,380	2,058	322
Training and conferences	750	951	(201)
Garage operations	3,400	4,069	(669)
Equipment operation and repair	4,820	9,047	(4,227)
Stormwater managements	54,000	15,134	38,866
Culverts	5,000	8,442	(3,442)
Vehicle Fuel	10,270	7,387	2,883
Miscellaneous and tools	1,430	660	770
Flow restoration	43,400	-	43,400
Total stormwater maintenance	<u>217,510</u>	<u>136,737</u>	<u>80,773</u>
Total stormwater	<u>368,640</u>	<u>215,730</u>	<u>152,910</u>
Total public works	<u>1,937,070</u>	<u>1,700,778</u>	<u>236,292</u>
Parks and recreation:			
Recreational services:			
Coordinator's salary	41,550	41,827	(277)
Explorer camp salaries	37,320	34,845	2,475
Adventure camp salaries	33,720	37,575	(3,855)
Teen camp salaries	17,000	19,929	(2,929)
Salaries, administrative support	12,380	12,755	(375)
Benefits	45,340	29,611	15,729
Training and conferences	1,000	919	81
Office supplies	1,500	4,996	(3,496)
Telephone and postage	1,400	1,266	134
School use fees	124,960	124,960	-
Explorer camp supplies	9,000	9,058	(58)
Adventurer camp supplies	9,000	10,543	(1,543)
Teen camp supplies	9,500	10,621	(1,121)

(Continued)

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended June 30, 2015**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Youth soccer	3,500	4,332	(832)
Youth basketball	4,000	2,770	1,230
Senior exercise program	6,000	9,400	(3,400)
Fall program supplies	500	117	383
Winter program supplies	8,800	5,289	3,511
Spring/summer program supplies	44,000	68,270	(24,270)
After school program expenses	5,000	-	5,000
Ski program	<u>19,000</u>	<u>18,946</u>	<u>54</u>
Total recreational services	<u>434,470</u>	<u>448,029</u>	<u>(13,559)</u>
Community services:			
Fourth of July/Memorial day	12,250	11,208	1,042
Program grants	13,200	5,700	7,500
Clock winding	<u>600</u>	<u>600</u>	<u>-</u>
Total community services	<u>26,050</u>	<u>17,508</u>	<u>8,542</u>
Old Brick Church:			
Janitor wages	2,180	2,539	(359)
Benefits	300	253	47
Property and casualty insurance	4,150	2,718	1,432
Heating fuel, brick church	2,000	1,920	80
Utilities, brick church	1,420	1,457	(37)
Maintenance, brick church	<u>8,540</u>	<u>7,924</u>	<u>616</u>
Total Old Brick Church	<u>18,590</u>	<u>16,811</u>	<u>1,779</u>
Park maintenance:			
Maintenance salary	8,630	7,956	674
Park administrator salary	10,460	8,064	2,396
Benefits	7,800	3,986	3,814
Property and casualty insurance	2,990	2,990	-
Equipment rental	2,800	1,052	1,748
Utilities	2,500	1,439	1,061
Other and new equipment	1,200	1,121	79
Maintenance and upgrades	<u>31,000</u>	<u>19,116</u>	<u>11,884</u>
Total park maintenance	<u>67,380</u>	<u>45,724</u>	<u>21,656</u>
Open space preservation:			
Tax stabilization	<u>10,000</u>	<u>10,091</u>	<u>(91)</u>
Total parks and recreation	<u>556,490</u>	<u>538,163</u>	<u>18,327</u>
Library:			
Library collections:			
Department salary	256,180	258,190	(2,010)

(Continued)

TOWN OF WILLISTON, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended June 30, 2015

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Benefits	53,500	53,684	(184)
Bookmobile	1,150	1,122	28
Training and conferences	1,750	891	859
Travel and fees	1,500	1,407	93
Office supplies	7,800	7,636	164
Telephone	1,200	920	280
Postage	3,600	3,494	106
Books	68,600	65,077	3,523
Total library collections	395,280	392,421	2,859
Building overhead:			
Janitorial services	9,300	7,464	1,836
Town custodial services	5,720	5,713	7
Heating fuel	5,500	3,982	1,518
Utilities	8,500	8,157	343
Maintenance and repairs	17,400	15,570	1,830
Land rental	29,750	29,750	-
Property and casualty insurance	13,670	10,625	3,045
Total building overhead	89,840	81,261	8,579
Special programs:			
Program wages	42,100	41,991	109
Benefits	14,720	13,615	1,105
Program presenters and materials	12,000	12,186	(186)
Total special programs	68,820	67,792	1,028
Computer/Reference services:			
Wages	24,780	25,841	(1,061)
Benefits	6,280	10,149	(3,869)
System and equipment maintenance	17,620	15,923	1,697
Total computer/reference services	48,680	51,913	(3,233)
Total library	602,620	593,387	9,233
Debt service:			
Principal:			
Library roof bond	20,000	20,000	-
Public safety bond	325,000	325,000	-
Sidewalk bond	80,000	80,000	-
Fire engine, 2009	50,000	50,000	-
Ambulance lease, 2010	31,270	31,271	(1)
Ambulance lease, 2014	33,220	26,998	6,222
Public works facility	176,060	240,000	(63,940)
Total principal	715,550	773,269	(57,719)

(Continued)

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended June 30, 2015**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Interest:			
Library roof bond	3,750	3,746	4
Public safety bond	174,510	173,330	1,180
Sidewalk bond	24,250	24,246	4
Fire engine, 2009	8,700	8,698	2
Ambulance lease, 2010	3,960	3,955	5
Ambulance, 2014	-	4,680	(4,680)
Public works bond	159,640	159,643	(3)
Total interest	<u>374,810</u>	<u>378,298</u>	<u>(3,488)</u>
Total debt service	<u>1,090,360</u>	<u>1,151,567</u>	<u>(61,207)</u>
Total expenditures	<u>9,288,670</u>	<u>8,712,277</u>	<u>576,393</u>
Excess (deficiency) of revenues over expenditures	<u>(267,250)</u>	<u>673,451</u>	<u>940,701</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from sale of assets	-	33,820	33,820
Transfers In/(Out)			
Environmental reserve fund	(30,000)	(30,000)	-
Cemetery fund	(30,000)	(30,000)	-
Total other financing sources	<u>(60,000)</u>	<u>(26,180)</u>	<u>33,820</u>
Net change in fund balance, before use of surplus	(327,250)	647,271	974,521
Use of surplus	<u>327,250</u>	<u>-</u>	<u>(327,250)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 647,271</u>	<u>\$ 647,271</u>

See accompanying notes.

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
June 30, 2015

	<b>Water Fund</b>	<b>Meadowridge Sewer Fund</b>	<b>Sewer Fund</b>	<b>Total</b>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 679,678	\$ 14,782	\$ 2,573,298	\$ 3,267,758
Receivables, net of allowance for uncollectibles	167,631	-	286,624	454,255
Loans receivable - Current portion	-	27,332	3,100	30,432
Due from other funds	32,960	6,388	183,651	222,999
Total current assets	<u>880,269</u>	<u>48,502</u>	<u>3,046,673</u>	<u>3,975,444</u>
Non-current assets:				
Loans receivable - Noncurrent portion	-	398,005	103,850	501,855
Prepaid capacity rights, net of amortization	-	-	1,950,863	1,950,863
Land	383,099	-	-	383,099
Construction in process	-	-	7,799	7,799
Equipment and vehicles	127,773	-	656,813	784,586
Distribution lines	12,359,650	500,746	13,518,965	26,379,361
Less accumulated depreciation	<u>(4,644,978)</u>	<u>(35,743)</u>	<u>(3,843,623)</u>	<u>(8,524,344)</u>
Total non-current assets	<u>8,225,544</u>	<u>863,008</u>	<u>12,394,667</u>	<u>21,483,219</u>
Total assets	<u>9,105,813</u>	<u>911,510</u>	<u>15,441,340</u>	<u>25,458,663</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources - pension	9,556	-	9,556	19,112
<b>LIABILITIES</b>				
Current liabilities:				
Accrued interest	620	1,864	16,478	18,962
Due to other funds	-	-	3,973	3,973
Long term debt, current	40,000	17,410	49,756	107,166
Total current liabilities	<u>40,620</u>	<u>19,274</u>	<u>70,207</u>	<u>130,101</u>
Non-current liabilities:				
Long term debt, noncurrent	280,000	355,387	1,126,509	1,761,896
Net pension liability	5,020	-	5,020	10,040
Accrued vacation	2,301	-	2,301	4,602
Total non-current liabilities	<u>287,321</u>	<u>355,387</u>	<u>1,133,830</u>	<u>1,776,538</u>
Total liabilities	<u>327,941</u>	<u>374,661</u>	<u>1,204,037</u>	<u>1,906,639</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of resources - pension	15,480	-	15,480	30,960
<b>NET POSITION</b>				
Net investment in capital assets	7,905,544	92,206	9,163,689	17,161,439
Restricted	-	-	1,956,783	1,956,783
Unrestricted	866,404	444,643	3,110,907	4,421,954
Total net position	<u>\$ 8,771,948</u>	<u>\$ 536,849</u>	<u>\$ 14,231,379</u>	<u>\$ 23,540,176</u>

See accompanying notes.

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2015**

	Water Fund	Meadowridge Sewer Fund	Sewer Fund	Total
<b>OPERATING REVENUES</b>				
User fees	\$ 952,219	\$ -	\$ 1,284,138	\$ 2,236,357
Sale of meters	22,610	-	-	22,610
Charges for services	2,500	-	-	2,500
Intergovernmental revenue	-	-	5,714	5,714
Miscellaneous	19,070	-	25,732	44,802
Total operating revenues	<u>996,399</u>	<u>-</u>	<u>1,315,584</u>	<u>2,311,983</u>
<b>OPERATING EXPENSES</b>				
Wages and benefits	248,598	-	247,896	496,494
Repairs and supplies	142,261	-	118,089	260,350
Building and equipment	13,048	-	13,388	26,436
Insurance	8,700	-	12,465	21,165
Purchased water	460,664	-	-	460,664
Sewer treatment	-	-	568,060	568,060
Purchase of meters	39,501	-	-	39,501
Plant repairs	-	-	33,983	33,983
Depreciation	212,333	10,212	247,609	470,154
Amortization of capacity rights	-	-	56,103	56,103
Public works rental expense	21,970	-	21,970	43,940
Other expenses	25,378	-	27,924	53,302
Total operating expenses	<u>1,172,453</u>	<u>10,212</u>	<u>1,347,487</u>	<u>2,530,152</u>
Operating loss	<u>(176,054)</u>	<u>(10,212)</u>	<u>(31,903)</u>	<u>(218,169)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	1,897	-	7,462	9,359
Loan interest income	-	-	-	-
Capital grant revenue	-	-	8,194	8,194
Loan interest expense	(5,538)	(7,712)	(20,283)	(33,533)
Hook on fees and allocation charges	80,957	-	389,657	470,614
Gain on sale of assets	29,918	-	30,639	60,557
Donated assets	56,210	-	240,275	296,485
Total non-operating revenues (expenses)	<u>163,444</u>	<u>(7,712)</u>	<u>655,944</u>	<u>811,676</u>
Change in net position	(12,610)	(17,924)	624,041	593,507
Net position - July 1, 2014, as previously stated	<u>8,795,546</u>	<u>554,773</u>	<u>13,618,326</u>	<u>22,968,645</u>
Restatement upon adoption of new accounting principle	(10,988)	-	(10,988)	(21,976)
Net position - July 1, 2014, as restated	<u>8,784,558</u>	<u>554,773</u>	<u>13,607,338</u>	<u>22,946,669</u>
Net position - June 30, 2015	<u>\$ 8,771,948</u>	<u>\$ 536,849</u>	<u>\$ 14,231,379</u>	<u>\$ 23,540,176</u>

See accompanying notes.

TOWN OF WILLISTON, VERMONT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2015

	Water Fund	Meadowridge Sewer Fund	Sewer Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and users	\$ 979,831	\$ -	\$ 1,309,195	\$ 2,289,226
Payments for public works rental	(21,970)	-	(21,970)	(43,940)
Payments to suppliers	(692,635)	-	(788,709)	(1,481,344)
Payments for wages and benefits	(247,828)	-	(247,126)	(494,954)
Net cash provided by operating activities	<u>17,398</u>	<u>-</u>	<u>251,590</u>	<u>268,988</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Advances to other funds	(52,234)	(1,195)	(54,037)	(107,466)
Net cash provided (used) by noncapital financing activities	<u>(52,234)</u>	<u>(1,195)</u>	<u>(54,037)</u>	<u>(107,466)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition of capital assets	(17,640)	-	(203,884)	(221,524)
Proceeds from sale of capital assets	52,000	-	71,755	123,755
Acquisition of capacity rights	-	-	(100,000)	(100,000)
Proceeds from long term debt	-	-	178,674	178,674
Payments on long term debt	(40,000)	(17,069)	(11,106)	(68,175)
Interest paid on long term debt	(5,620)	(7,797)	(5,073)	(18,490)
Hook on fees and allocation charges received	80,957	-	389,657	470,614
Net cash provided (used) by capital and related financing activities	<u>69,697</u>	<u>(24,866)</u>	<u>320,023</u>	<u>364,854</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Receipt of loan receivable principal	-	24,224	904	25,128
Receipt of investment income	1,897	-	7,462	9,359
Net cash provided by investing activities	<u>1,897</u>	<u>24,224</u>	<u>8,366</u>	<u>34,487</u>
Net increase (decrease) in cash and cash equivalents	36,758	(1,837)	525,942	560,863
Cash and cash equivalents at beginning of year	<u>642,920</u>	<u>16,619</u>	<u>2,047,356</u>	<u>2,706,895</u>
Cash and cash equivalents at end of year	<u>\$ 679,678</u>	<u>\$ 14,782</u>	<u>\$ 2,573,298</u>	<u>\$ 3,267,758</u>

(Continued)

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the Year Ended June 30, 2015

	Water Fund	Meadowridge Sewer Fund	Sewer Fund	Total
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:</b>				
Operating loss	\$ (176,054)	\$ (10,212)	\$ (31,903)	\$ (218,169)
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Depreciation	212,333	10,212	247,609	470,154
Amortization of capacity rights	-	-	56,103	56,103
Prior year pension expense recognized	7,569	-	7,569	15,138
Prior year change in proportional share of pension contributions	389	-	389	778
Current year required pension contributions deferred	(8,002)	-	(8,002)	(16,004)
<b>INCREASE IN:</b>				
Accounts receivable	(16,568)	-	(6,189)	(22,757)
<b>INCREASE (DECREASE) IN:</b>				
Accounts payable	(3,083)	-	(14,800)	(17,883)
Accrued vacation	814	-	814	1,628
Net cash provided by operating activities	<u>\$ 17,398</u>	<u>\$ -</u>	<u>\$ 251,590</u>	<u>\$ 268,988</u>
<b>NONCASH CAPITAL FINANCING ACTIVITIES</b>				
Capital related debt payments made by the State of Vermont and included in income as capital grant revenue	\$ -	\$ -	\$ 8,194	\$ 8,194
Acquisition of assets through donation	\$ 56,210	\$ -	\$ 240,275	\$ 296,485

See accompanying notes.

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**June 30, 2015**

	<b>Agency Funds</b>
<b>ASSETS</b>	
Cash	\$ 41,373
Due from other funds	<u>3,962</u>
Total assets	<u><u>\$ 45,335</u></u>
<b>LIABILITIES</b>	
Due to other governments	\$ 5,890
Deposits payable	<u>39,445</u>
Total liabilities	<u><u>\$ 45,335</u></u>

See accompanying notes.

**TOWN OF WILLISTON, VERMONT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**Note 1. Summary of Significant Accounting Policies**

The Town of Williston, Vermont (the Town) was incorporated in 1763. The Town operates under a Selectboard-Manager form of government and provides the following services as authorized by its charter: general government, public safety, public works, culture and recreation, cemetery and community/economic development. In addition, the Town owns and operates a water and sewer system.

The Town's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (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 below.

**A. Reporting Entity**

The Town's basic financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town's reporting entity are set forth in GASB 14 as amended by GASB 39 and 61 and Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards.

Based on the aforementioned criteria, the Town has no component units.

**B. 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 police and fire protection, parks, library and recreation, public works, and general administrative services are classified as governmental activities. The Town's water and sewer services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. 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 functions and business-type activities (public safety, public works, library etc.). The functions are also supported by general government revenue (property taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenue, including operating and capital grants. Program revenue must be directly associated with the governmental function (police, public works, community and youth services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

**Note 1. Summary of Significant Accounting Policies (Continued)**

The net costs (by governmental function or business-type activity) are normally covered by general revenue (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.

**C. 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, revenue and expenditures. 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 Statements No. 34 and No. 37 set forth minimum criteria (percentage of the assets, liabilities, deferred inflows and outflows, revenues or expenditures of either fund category/type or the governmental and enterprise funds combined) for the determination of major funds. The General Fund, the Public Works Building fund and the Community Development Fund are shown as major governmental funds. The Sewer, Water, and Meadowridge Sewer Funds are major proprietary funds. All other funds are nonmajor and are combined in a single column in each of the respective fund financial statements. The following funds are used by the Town:

**Governmental Funds:**

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

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 required to be accounted for in another fund.
- Community Development Fund is used to account for the Community Development grant and loan programs throughout the Town.
- Public Works Building Fund is used to account for the construction of a new public works facility.

**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 non operating revenues and expense. The generally accepted accounting principles applicable are those similar to businesses in the private sector.

## **Note 1. Summary of Significant Accounting Policies (Continued)**

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.
- Meadowridge Sewer Fund is used to account for the sewer connection debt payments made by the homeowners of the Meadowridge neighborhood development.
- Water Fund is used to account for the operations of the Water Department.

### **Fiduciary Funds**

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support the Town's programs. The reporting focus is on net position and changes in net position and are reported using accounting principles similar to proprietary funds.

The Town's fiduciary funds are presented in the fiduciary fund financial statements by type (private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. The Fiduciary funds consist of assets held in an agency capacity for various activities (engineering, escrow and funds of private groups).

### **D. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures/expenses, assets, deferred outflows and inflows of resources, and liabilities, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

#### **1. Accrual**

The government-wide and proprietary fund financial statements are presented on the economic resources measurement focus and 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 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. Local option taxes collected and held by the State at year-end on behalf of the Town is also recognized as revenue. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

#### **2. Modified Accrual**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period for property taxes and four months for other revenues. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. The

## **Note 1. Summary of Significant Accounting Policies (Continued)**

exception to this general rule includes principal and interest on general obligation long term debt which is recognized when due/paid. 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. 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.

### **E. Use of Estimates**

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates

### **F. Cash and Cash Equivalents**

The Town considers all short-term investments with initial maturities of ninety (90) days or less to be cash equivalents.

### **G. Receivables**

The Town utilizes the allowance method for uncollectible accounts. The estimated losses are based on the judgment of management and a review of the current status of existing receivables.

### **H. Internal Balances**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). 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".

### **I. Prepaid Expenses**

Certain payments to vendors reflect costs that are applicable to future accounting periods and are recorded as prepaid expenses. Reported prepaid expenses of governmental funds in the fund financial statements are offset by nonspendable fund balance which indicates that they do not constitute "available expendable resources" even though they are a component of fund balance.

**Note 1. Summary of Significant Accounting Policies (Continued)**

**J. Prepaid Capacity Rights**

Prepaid capacity rights are being amortized over the straight line method over the life of the improvements at the treatment plant which is estimated to be 50 years.

**K. 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 fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. General infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. 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 improvements	10 - 99 years
Vehicles and equipment	3 - 20 years
Distribution lines	50 - 99 years
Infrastructure	10 - 50 years

The Town does not capitalize its library books because they are considered a collection.

**L. Accrued Compensated Absences**

It is the policy of the Town of Williston to permit employees to accumulate earned but unused vacation benefits. Town employees hired after June 30, 1992 do not accumulate unused sick benefits because they are not vested. Town employees hired before July 1, 1992 are reimbursed for up to 20 days of accrued sick leave, if available, upon termination. The accrual for unused compensated absences time, based on current pay rates, is recorded in the government-wide and proprietary fund financial statements. The liability for unused compensated absences is not reported in the governmental fund type financial statements. Payments for unused compensated absences are recorded as expenditures in the year they are paid in the governmental funds.

**M. Long-term Liabilities**

Long-term liabilities include notes and bonds payable and other obligations such as accrued compensated absences and net pension liability. Long-term liabilities are reported in the government-wide and proprietary fund financial statements. Governmental fund type financial statements do not include any long-term liabilities as those funds use the current financial resources measurement focus and generally only include current assets and liabilities on their balance sheets.

**N. Budgetary Information**

Budgets are approved at the annual Town Meeting in March. Any budget changes require voter approval. Budget changes between departments, which do not change the total expenditures, require Selectboard approval. The Town is not legally required to pass a budget for the Community Development Fund, or the Public Works Building Fund, therefore, they are not presented.

## Note 1. Summary of Significant Accounting Policies (Continued)

### O. Net Position

The Statement of Net Position includes four components: assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources 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 and deferred inflows of resources attributable to either capital asset acquisition, construction or improvement. This amount is then increased by any deferred outflows of resources attributable to capital asset acquisition, construction, or improvement (to arrive at net investment in capital assets). Net position is reported as restricted when there are legal limitations imposed on its use by legislation or external restrictions by creditors, grantors, laws or regulations of other governments.

### P. Fund Equity

GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" provides fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balances - Indicates the portion of fund equity that cannot be spent due to their form (e.g. inventories and prepaids) or funds that legally or contractually must be maintained intact.
- Restricted fund balances - Indicates the portion of fund equity that is mandated for a specific purpose by external parties, constitutional provisions, or enabling legislation (e.g. federal and state grants, bondholders, trust and trustee accounts).
- Committed fund balances - Indicates the portion of fund equity that is set aside for a specific purpose by the Selectboard. Formal action must be taken prior to the end of the fiscal year (e.g. capital projects, compensated absences). The same formal action must be taken to remove or change the limitations placed on the funds.
- Assigned fund balances - Indicates the portion of fund equity that is set aside with the intent to be used for a specific purpose by the Selectboard or official that has been given the authority to assign funds (e.g. encumbrances, subsequent budgets). Assigned funds cannot cause a deficit in unassigned fund balance in the general fund.
- Unassigned fund balances - Indicates the portion of fund equity that has not been classified in the previous four categories. All funds in this category are considered spendable resources. This category provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

## **Note 1. Summary of Significant Accounting Policies (Continued)**

The Selectboard establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as special incentives). Assigned fund balance is established by the Selectboard through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service or other purposes).

When an expenditure is incurred that would qualify for payment with either restricted or unrestricted funds, it will be paid from restricted funds. When an expenditure is incurred that qualifies for payment from either of the three unrestricted fund balance categories, it will be applied first to committed, then assigned, then unassigned.

### **Q. Budgeted Deficit**

The Town budgeted a current year deficit of \$327,250 in the General Fund in order to utilize a portion of the previous year's surplus. This amount is reflected as a budgeted negative change in fund balance on page 31.

### **R. Implementation of New Accounting Principles**

For the year ending June 30, 2015, the Town reviewed the following GASB Statements, which are effective in future years, for possible implementation and has determined that they have no effect on the District's financial reporting:

*GASB Statement No. 72, Fair Value Measurement and Application*

*GASB Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB Statements 67 and 68*

*GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*

*GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*

*GASB Statement No. 76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*

### **S. Change in Accounting Principles**

The Town adopted the provisions of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71 *Pension Transition For Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68*. Implementation of these new accounting standards required a restatement of the beginning net position to reclassify pension contributions during the measurement period which had been closed to net position for the prior year end to recognize the beginning net pension liability. Previously, net pension liability and the related deferred outflows and inflows were not required to be reported. These restatements had the following impact on previously reported balances.

**Note 1. Summary of Significant Accounting Policies (Continued)**

	Governmental	Proprietary
Net Position, July 1, 2014, as previously stated	\$ 26,850,644	\$ 22,968,645
Restatement upon adoption of new accounting principles	<u>(217,419)</u>	<u>(21,976)</u>
Net Position, July 1, 2014, as restated	<u>\$ 26,633,225</u>	<u>\$ 22,946,669</u>

As it is impractical to determine the cumulative effect of applying the change in accounting principle to July 1, 2013, the change has been applied prospectively from July 1, 2014.

**Note 2. Deposits**

The Treasurer invests excess cash according to policies established by the Selectboard.

*Custodial credit risk - deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The table below shows the custodial credit risk of the Town's deposits.

Insured by FDIC	\$ 750,000
Insured by letter of credit	280,343
Held in trust	17,467
Uninsured - Collateralized	<u>9,284,920</u>
Total	<u>\$ 10,332,730</u>

The uninsured is collateralized by three different agreements; a repurchase agreement of the pledging financial institution, but not in the Town's name, an Irrevocable stand by letter of credit and a municipal collateral pool of securities held by the pledging institution.

Due to the timing of cash flows, the Town's uninsured deposits may be higher during certain times of the year. Management considers this a normal business risk.

**Note 3. Receivables**

Receivables, net of allowance for uncollectibles at June 30, 2015, as reported in the Statement of Net Position, are as follows:

	Governmental Activities	Business-Type Activities	Total
Delinquent taxes	\$ 186,270	\$ -	\$ 186,270
Penalties and interest	26,248	-	26,248
Sales and rooms tax	724,567	-	724,567
Accounts receivable	120,648	-	120,648
Grants	148,208	-	148,208
Billed services	42,835	454,255	497,090
	<u>\$ 1,248,776</u>	<u>\$ 454,255</u>	<u>\$ 1,703,031</u>

**Note 3. Receivables (Continued)**

Management believes that all receivables are collectible, and therefore, no allowance for doubtful accounts has been recorded.

**Note 4. Loans Receivable**

Loans receivable are as follows:

*Governmental Activities*

Note receivable, Maple Tree Housing Limited Partnership, payable on demand on or after September, 2031, 0% interest, secured by mortgage deed on the property	\$ 730,900
Notes receivable, Gisele Fontaine Family Trust, due upon sale of or other conveyance of property to other than a lineal descendent of Raymond or Gisele Fontaine, 0% interest, secured by lien on property	<u>40,000</u>
Total governmental activities	<u>\$ 770,900</u>

*Business-Type Activities*

Notes receivable, Porterwood Sewer Project, 3 sewer connection loans, monthly principal and interest payments required, interest ranging from 1.02% - 3.00%, various due dates	\$ 1,246
Notes receivable, Shunpike Sewer Project, 14 sewer connection loans; monthly principal and interest payments of 3% per annum are required on 11 loans; on 3 loans, no payment of principal or interest is required until zoning permit is applied for or if the properties have not been developed by July 1, 2014, full payment of principal and interest from July 1, 2004 is due. In the event principal payment is made on or after July 1, 2009, interest shall be paid to the Town at the prime rate offered municipalities by People's United Bank on the date of payment or 3% per annum whichever is greater, secured by liens on properties	105,704
Notes receivable, Meadowridge Sewer Project, 57 sewer connection loans, quarterly principal and interest payments of 2% per annum are required on all loans, due June 2033. Secured by liens on properties	<u>425,337</u>
Total business-type activities	532,287
Less: current portion	<u>30,432</u>
Long-term portion	<u>\$ 501,855</u>

### Note 5. Prepaid Capacity Rights

The Town has paid the Village of Essex Junction, Vermont \$2,680,140 so that the Village could upgrade its Sewage Treatment Facility and provide additional sewage capacity to the Town. These payments were recorded as prepaid capacity rights. The Town does not have any ownership of the treatment plant but does receive guaranteed capacity indefinitely.

Prepaid capacity rights activity for the year ended June 30, 2015, was as follows:

Prepaid capacity rights, net of \$673,175	
accumulated amortization, July 1, 2014	\$ 1,906,966
Plus: additional capacity rights purchased	100,000
Less: current year amortization of capacity rights	<u>(56,103)</u>
 Prepaid capacity rights, net, June 30, 2015	 <u>\$ 1,950,863</u>

### Note 6. Capital Assets

Capital assets activity for the year ended June 30, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital assets, not being depreciated:				
Land	\$ 3,398,588	\$ 215,870	\$ 262,770	\$ 3,351,688
Construction in progress	464,766	40,162	329,334	175,594
Total capital assets, not being depreciated	<u>3,863,354</u>	<u>256,032</u>	<u>592,104</u>	<u>3,527,282</u>
Capital assets, being depreciated:				
Buildings and building improvements	10,105,862	3,993,739	13,966	14,085,635
Vehicles and equipment	5,746,541	429,581	316,982	5,859,140
Infrastructure	16,654,526	1,241,995	-	17,896,521
Totals	<u>32,506,929</u>	<u>5,665,315</u>	<u>330,948</u>	<u>37,841,296</u>
Less accumulated depreciation for:				
Buildings and building improvements	2,010,366	238,432	11,394	2,237,404
Vehicles and equipment	2,511,668	523,961	266,024	2,769,605
Infrastructure	4,468,528	785,365	-	5,253,893
Totals	<u>8,990,562</u>	<u>1,547,758</u>	<u>277,418</u>	<u>10,260,902</u>
Total capital assets, being depreciated	<u>23,516,367</u>	<u>4,117,557</u>	<u>53,530</u>	<u>27,580,394</u>
Governmental activities capital assets, net	<u>\$ 27,379,721</u>	<u>\$ 4,373,589</u>	<u>\$ 645,634</u>	<u>\$ 31,107,676</u>

**Note 6. Capital Assets (Continued)**

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General government	\$ 34,095
Public works	975,734
Public safety	481,044
Conservation	1,060
Culture and recreation	55,825
Total	<u>\$ 1,547,758</u>

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities</b>				
Total capital assets, not being depreciated:				
Land	\$ 383,099	\$ -	\$ -	\$ 383,099
Construction in progress	19,755	7,799	19,755	7,799
Total capital assets, not being depreciated	<u>402,854</u>	<u>7,799</u>	<u>19,755</u>	<u>390,898</u>
Capital assets, being depreciated:				
Buildings	75,000	-	75,000	-
Equipment and vehicles	597,633	213,725	26,772	784,586
Distribution lines	26,082,876	296,485	-	26,379,361
Total capital assets, being depreciated	<u>26,755,509</u>	<u>510,210</u>	<u>101,772</u>	<u>27,163,947</u>
Less accumulated depreciation for:				
Buildings	39,750	1,126	40,876	-
Equipment and vehicles	315,380	41,679	17,453	339,606
Distribution lines	7,757,389	427,349	-	8,184,738
Totals	<u>8,112,519</u>	<u>470,154</u>	<u>58,329</u>	<u>8,524,344</u>
Total capital assets, being depreciated	<u>18,642,990</u>	<u>40,056</u>	<u>43,443</u>	<u>18,639,603</u>
Business-type activities capital assets, net	<u>\$ 19,045,844</u>	<u>\$ 47,855</u>	<u>\$ 63,198</u>	<u>\$ 19,030,501</u>

Depreciation expense for business-type activities was \$470,154 for the year ended June 30, 2015.

**Note 7. Interfund Receivables, Payables and Transfers**

Interfund transfers for the year ended June 30, 2015, were as follows:

Transfer From	Amount	Transfers To	Amount	Purpose
General fund	\$ 30,000	Conservation fund	\$ 30,000	Town appropriation
General fund	30,000	Cemetery fund	30,000	Town appropriation
Host town fund	234,120	Equipment replacement fund	234,120	Annual Subsidy
Total	<u>\$ 294,120</u>		<u>\$ 294,120</u>	

**Note 7. Interfund Receivables, Payables and Transfers (Continued)**

The Town has combined some of the cash resources of its governmental and proprietary fund types for accounting and reporting purposes, that portion of the pooled cash balance is reported in the specific fund as an interfund balance. Interfund balances at June 30, 2015 are as follows:

Due to/from other funds:	<u>Receivable Fund</u>	<u>Payable Fund</u>
General fund	\$ -	\$ 810,856
Water fund	32,960	-
Sewer fund	183,651	3,973
Landfill/Host Town fund	13,563	6,523
Cemetery fund	-	6,053
Grant fund	-	39,473
Sidewalk project fund	-	45,505
Public works building	669,300	-
Reappraisal fund	-	10,635
Records restoration fund	2,173	-
Equipment replacement fund	10,343	-
Bridges/Culverts	-	1,323
Recreation impact fee	-	505
Traffic impact fees	2,506	-
Meadowridge sewer fund	6,388	-
Agency funds	3,962	-
	<hr/>	<hr/>
Total due to/from other funds	<u>\$ 924,846</u>	<u>\$ 924,846</u>

**Note 8. Deferred Outflows/Inflows of Resources and Unearned revenues**

*Deferred outflows of resources - Pension*

The Town reports deferred outflows of resources on its statement of net position. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred outflows consist of (1) the Town's change in their proportional share of pension contributions, and (2) the Town's pension contribution subsequent to the measurement date.

**Note 8. Deferred Outflows/Inflows of Resources and Unearned revenues (Continued)**

*Deferred inflows of resources - Taxes*

Unavailable revenue consists of taxes that were not collected within sixty (60) days after year-end and other receivables not collected by October 31 (4 months) of the following year as these would not be available to liquidate current liabilities. This amounted to \$163,987 for June 30, 2015. Taxes and fees collected in advance consist of prepaid taxes and fees and grant monies that have been received but are not yet spent. This amounted to \$168,419 at June 30, 2015.

*Deferred inflows of resources - Pension*

For purposes of measuring deferred outflows of resources and deferred inflows of resources related to pensions, information about the fiduciary net position of the Vermont Municipal Employees Retirement System (VMERS) and additions to/deductions from 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. VMERS does not issue stand-alone financial reports, but is instead included as part of the State of Vermont's Comprehensive Annual Financial Report (CAFR).

The Town reports deferred inflows of resources as a representation of 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 future period. Deferred inflows consist of the Town's proportional share of the difference between projected and actual investment earnings on pension assets.

	Government Wide	Proprietary	Fund
Deferred Outflows of Resources			
Pension	\$ 189,197	\$ 19,112	\$ -
Total deferred outflows of resources	<u>\$ 189,197</u>	<u>\$ 19,112</u>	<u>\$ -</u>
Liabilities			
Unearned revenue			
Community development fund	\$ -	\$ -	\$ 770,900
Non-major funds	14,114	-	14,114
Total unearned revenue	<u>\$ 14,114</u>	<u>\$ -</u>	<u>\$ 785,014</u>
Deferred Inflows of Resources			
Taxes and fees collected in advance			
Taxes collected in advance	\$ 33,091	\$ -	\$ 33,091
Prepaid water and sewer fees	8,667	-	8,667
Recreation fees collected in advance	125,440	-	125,440
Other	1,221	-	1,221
Total taxes and fees collected in advance	168,419	-	168,419
Unavailable revenue - Taxes	-	-	163,987
Pension	306,295	30,960	-
Total deferred inflows of resources	<u>\$ 474,714</u>	<u>\$ 30,960</u>	<u>\$ 332,406</u>

## Note 9. Long-term Liabilities

Long-term liabilities outstanding as of June 30, 2015 were as follows:

	Total	Due within one year
<i>Governmental Activities:</i>		
Library roof bond payable, Vermont Municipal Bond Bank, annual principal payments of \$20,000 through November, 2022. Interest rate at 2.4%, interest paid semi-annually at May 15 and November 15	\$ 160,000	\$ 20,000
Public safety bond payable, Vermont Municipal Bond Bank, annual principal payments of \$165,000 on December 1 through 2025, various interest rates ranging from 3.0% to 4.58%, interest paid semi-annually at June 1 and December 1	1,815,000	165,000
Highway improvements (sidewalks) bond payable, Vermont Municipal Bond Bank, annual principal payments of \$80,000 on December 1 through 2025, various interest rates ranging from 3.0% to 4.58%, interest paid semi-annually at June 1 and December 1	880,000	80,000
Public safety bond payable, Vermont Municipal Bond Bank, annual principal payments of \$70,000 on December 1 through 2026, various interest rates ranging from 3.835% to 4.665%, interest paid semi-annually at June 1 and December 1	790,000	70,000
Public safety bond payable, Vermont Municipal Bond Bank, annual principal payments of \$90,000 on December 1 through 2027, various interest rates ranging from 3.865% to 4.665%, interest paid semi-annually at June 1 and December 1	1,170,000	90,000
Fire truck bond payable, Vermont Municipal Bond Bank, annual principal payments of \$50,000 through December, 2017, then \$45,000 due through December, 2020, various interest rates averaging 3.07%, interest paid semi-annually at June 1 and December 1	235,000	50,000
Public works bond payable, Vermont Municipal Bond Bank, annual principal payments of \$240,000 starting on November 15, 2014 through 2033, various interest rates ranging from .444% to 4.644%, interest paid semi-annually at May 15 and November 15	4,560,000	240,000

**Note 9. Long-Term Liabilities (Continued)**

	Total	Due within one year
Ambulance lease payable, TD Equipment Finance, annual principal and interest combined payments of \$31,677, from June 17, 2014 through June 17, 2020, interest rate at 2.7%. Secured by ambulance with a net carrying value of \$184,887	146,325	27,727
Ambulance lease payable, TD Equipment Finance, annual principal and interest combined payments of \$35,225, from July 1, 2010 through July 1, 2016, interest rate of 4.05%. Secured by ambulance with a net carrying value of \$54,651.	66,391	32,537
Total governmental activities	<u>\$ 9,822,716</u>	<u>\$ 775,264</u>
<i>Business-type Activities:</i>		
State revolving loan fund, sewer pumps, annual principal and interest combined payments of \$22,250, from October 2013 through October, 2031, interest rate of 2.0%	\$ 242,553	\$ 11,328
State revolving loan fund, Industrial Ave., total available \$832,000, annual principal and interest combined payments of \$30,299, from October, 2016 through October, 2035, interest rate of 2.0%	763,233	31,412
State revolving loan fund, Meadowridge, annual principal and interest combined payments of \$27,395, from October, 2013 through October, 2033, interest rate of 2.0%	372,797	17,410
State revolving loan fund, Gallop Hill Pump Station, annual principal and interest combined payments of \$10,825, from November 2016 through November, 2035, interest rate of 0.0%, with an administrative fee of 2.0%	170,479	7,016
Vermont Municipal Bond Bank, water tower land, annual principal payments of \$40,000 on November 15 through November 2022, interest rate at 2.4%, interest due November 15 and May 15 annually	320,000	40,000
Total business-type activities	<u>\$ 1,869,062</u>	<u>\$ 107,166</u>

**Note 9. Long-Term Liabilities (Continued)**

Total interest paid during the year was \$394,631 in the government activities, and \$33,532 in the business-type activities. Changes in all 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>
<b>Governmental Activities</b>					
Capital leases	\$ 270,985	\$ -	\$ 58,269	212,716	\$ 60,264
General obligation bonds	10,325,000	-	715,000	9,610,000	715,000
Accrued compensation absences	216,404	28,460	-	244,864	-
Total governmental activities	<u>\$ 10,812,389</u>	<u>\$ 28,460</u>	<u>\$ 773,269</u>	<u>\$ 10,067,580</u>	<u>\$ 775,264</u>
<b>Business-Type Activities</b>					
General obligation bonds	\$ 1,766,757	\$ 178,674	\$ 76,369	\$ 1,869,062	\$ 107,166
Accrued compensated absences	2,974	1,628	-	4,602	-
Total business-type activities	<u>\$ 1,769,731</u>	<u>\$ 180,302</u>	<u>\$ 76,369</u>	<u>\$ 1,873,664</u>	<u>\$ 107,166</u>

Accrued compensated absences are paid by the applicable fund where the employee is charged.

Debt service requirements to maturity for general obligation bonds are as follows:

June 30	Governmental Activities			Business-type Activities		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 715,000	\$ 365,784	\$ 1,080,784	\$ 107,166	\$ 35,940	\$ 143,106
2017	715,000	343,664	1,058,664	108,510	33,935	142,445
2018	705,000	320,401	1,025,401	109,880	31,904	141,784
2019	705,000	295,994	1,000,994	111,278	29,845	141,123
2020	705,000	270,342	975,342	112,702	27,758	140,460
2021-2025	3,260,000	958,220	4,218,220	505,919	107,794	613,713
2026-2030	1,845,000	379,903	2,224,903	426,085	64,656	490,741
2031-2035	960,000	88,625	1,048,625	387,522	21,128	408,650
Total	<u>\$ 9,610,000</u>	<u>\$ 3,022,933</u>	<u>\$ 12,632,933</u>	<u>\$ 1,869,062</u>	<u>\$ 352,960</u>	<u>\$ 2,222,022</u>

**Capital leases**

A capital lease was entered into during fiscal year 2010 for a 2010 F450 Osage Super Warrior Ambulance. The cost of the equipment was capitalized for \$219,584 with accumulated amortization of \$164,933 as of June 30, 2015. The lease is for a period of 7 years and annual payments are required in the amount of \$35,225. The current year amortization expense was \$33,480 and was included in depreciation expense.

A capital lease was entered into during fiscal year 2014 for a 2014 F450 Osage Super Warrior Ambulance. The cost of the equipment was capitalized for \$214,070 with accumulated amortization of \$29,183 as of June 30, 2015. The lease is for a period of 7 years and annual payments are required in the amount of \$31,677. The current year amortization expense was \$29,183 and was included in depreciation expense.

**Note 9. Long-Term Liabilities (Continued)**

The following is a schedule of the future long-term minimum lease payments required and the present value of the minimum lease payments as of June 30, 2015:

June 30	Governmental Activities		
	Principal	Interest	Total
2016	\$ 60,264	\$ 6,640	\$ 66,904
2017	62,329	4,573	66,902
2018	29,244	2,433	31,677
2019	30,034	1,644	31,678
2020	30,845	833	31,678
Total	<u>\$ 212,716</u>	<u>\$ 16,123</u>	<u>\$ 228,839</u>

**Note 10. Committed and Assigned Fund Balances and Unrestricted Net Position**

The committed and assigned fund balances in the Governmental Funds of the Town as of June 30, 2015 consisted of the following:

Committed

Committed by Selectboard for future bridge projects and  
equipment replacement \$ 619,807

Assigned

Assigned from Host Town Agreements to fund future capital projects \$ 902,390  
Assigned for conservation expenditures 289,722  
Total assigned fund balance \$ 1,192,112

**Note 10. Committed and Assigned Fund Balances and Unrestricted Net Position (Continued)**

The unrestricted net position in the Proprietary Funds of the Town as of June 30, 2015 consisted of the following:

<b>Water Fund</b>	
Water capital projects	\$ 287,479
Water fund expenditures	<u>578,925</u>
Total water fund	<u>866,404</u>
<b>Meadowridge Fund</b>	
Designated for Meadowridge fund expenditures	<u>444,643</u>
<b>Sewer Fund</b>	
Sewer capital projects	646,134
Sewer fund expenditures	<u>2,464,773</u>
Total sewer fund	<u>3,110,907</u>
Total Unrestricted Net Position	<u><u>\$ 4,421,954</u></u>

**Note 11. Restricted Fund Balances and Net Position**

The restricted fund balances and net position of the Town as of June 30, 2015 consisted of the following:

	<u>Net Position</u>	<u>Fund Balance</u>
<i>Governmental Activities</i>		
Restricted by state statute - Impact fees	\$ 931,829	\$ 786,150
Restricted by state statute - Records restoration	71,257	71,257
Restricted by State - Reappraisal	362,399	362,399
Restricted by bond agreement	398,758	332,427
Restricted by bond agreement - Public works building	669,300	669,300
Restricted by grant agreements	306,760	86,443
Restricted by donors and bequests	13,729	-
Restricted by developer fee agreements	65,638	65,638
Restricted by trust agreements	127,661	5,739
Restricted by community development loan/grant agreement	<u>770,900</u>	-
Total governmental activities	<u><u>\$ 3,718,231</u></u>	<u><u>\$ 2,379,353</u></u>

**Note 11. Restricted Fund Balances and Net Position (Continued)**

<i>Business-Type Activities</i>	<u>Net Position</u>
Restricted by agreement with the Village of Essex Junction, VT - Capacity rights	\$ 1,950,863
Restricted by grant agreement for community development expenses	<u>5,920</u>
Total business-type activities	<u>\$ 1,956,783</u>

**Note 12. Employee Retirement Plans**

The Town maintains two retirement plans: one defined contribution plan and a cost-sharing, defined-benefit, multi-employer retirement plan, both of which are managed by Vermont Municipal Employees Retirement System (VMERS).

***Vermont Municipal Employee Retirement System***

***Defined Contribution Plan***

The Vermont Municipal Employees' Defined Contribution Plan (24 V.S.A. 5070), a multiple employer defined contribution plan, was implemented by the Vermont Municipal Employees' Retirement System's Board of Trustees on July 1, 2000, and is reported as a pension trust fund. The defined contribution plan was offered by municipal employers to one or more groups of their eligible employees. Once offered by the employer, each eligible employee was required to make an election to participate. Employees participating in one of the municipal defined benefit plans who elected to participate in the defined contribution plan had the July 1, 2001, actuarial value of their accrued defined benefit plan transferred to the defined contribution plan. Employers that did not offer the defined contribution plan to their employees as of December 31, 1999, have an opportunity to do so no later than December 31 of any subsequent year with the transfer effective July 1 of the following year.

Participating municipal employees and their employers are required to contribute at the rate of 5% of earnable compensation. Effective July 1, 2008, employers began contributing 5.125% while employee contribution percentages remain unchanged. Employees become vested in the plan after 12 months of service. During the fiscal year ending June 30, 2014, member contributions totaled \$22,806 and employer contributions at \$23,376.

Additional information regarding the Vermont Municipal Employee Retirement System is available upon request from the State of Vermont.

***Defined Benefit Plan***

***Plan Description***

The Vermont Municipal Employees' Retirement System is a cost-sharing, multi-employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees.

It is designed for school districts and other municipal 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

**Note 12. Employee Retirement Plans (Continued)**

met by municipal funds. An employee of any employer that becomes affiliated with the system may join at that time or at any time thereafter. Any employee hired subsequent to the effective participation date of their employer who meets the minimum hourly requirements is required to join the system. During the year ended June 30, 2015, the retirement system consisted of 437 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 governing bodies of participating employers of the system, and one selected by the Governor from a list of four nominees. The list of four nominees is jointly submitted by the Vermont League of Cities and Towns and the Vermont School Boards Association.

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

***Summary of System Provisions***

There are four levels of contributions and benefits available under the system, Group A, Group B, Group C, and Group D. The Town's employees are covered under Group B and C. The following is a summary of system provisions under Group B and C.

<b>Creditable Service</b>	Service as member plus purchased service.
<b>Average Final Compensation (AFC)</b>	Groups B and C: Average annual compensation during highest 3 consecutive years
<b>Service Retirement Allowance</b>	
Eligibility:	Group B: The earlier of age 62 with 5 years of service or age 55 with 30 years of service.  Group C: Age 55 with 5 years of service.
Amount:	Group B: 1.7% of AFC x service as Group B member plus percentage earned as a Group A member x AFC.  Group C: 2.5% of AFC x service as a Group C member plus percentage earned as a Group A or B member x AFC.  Maximum benefit is 60% of AFC for Group B and 50% of AFC for Group C. The above amounts include the portion of the allowance provided by member contributions.

**Note 12. Employee Retirement Plans (Continued)**

**Early Retirement Allowance**

Eligibility: Age 55 with 5 years of service for Group B.

Amount: For Groups B members, normal allowance based on service and AFC at early retirement, reduced by 6% for each year commencement precedes Normal Retirement Age.

**Vested Retirement Allowance**

Eligibility: 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" described below.

**Death Benefit**

Eligibility: Death after 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: 4.75% effective July 1, 2014 (increased from 4.625%) Group C: 9.625% effective July 1, 2014 and 9.75% effective January 1, 2015 (increased from 9.5%).

**Employer Contributions**

Group B: 5.375% (changed from 5.125%) effective July 1, 2014 Group C: 6.875% from July 1, 2014 to December 31, 2014 (changed from 6.625%) and then 7.0% effective January 1, 2015.

**Retirement Stipend**

\$25 per month payable at the option of the Board of retirees.

**Note 12. Employee Retirement Plans (Continued)**

***Contributions***

The contribution requirements of VMERS members and the Town are established by the VMERS Board of Trustees. The contribution rates are reviewed annually by the VMERS Board as recommended by the actuary of the retirement system in order to achieve and preserve the financial integrity of the fund. The employees' contributions are deducted from the employee's wages or salary and remitted by the Town to VMERS on a quarterly basis. The Town's contractually required contribution rates for the year ended June 30, 2015 were 5.375% for Group B members, and 6.875% from July 1, 2014 to December 31, 2014 and 7.00% from January 1, 2015 to June 30, 2015 for Group C members. These rates were actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Town's contributions to the Plan for the year ended June 30, 2015 were \$174,444.

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

At June 30, 2015, the Town reported a liability of \$109,371 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, 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 entities, actuarially determined. At June 30, 2014, the Town's proportion was 1.1984%, which was an increase of .1163% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the Town recognized pension expense of \$173,364. At June 30, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between projected and actual investment earnings	\$ -	\$ 337,255
Changes in proportionate share of contributions	33,866	-
Town contributions subsequent to the measurement date	<u>174,443</u>	<u>-</u>
Total	<u>\$ 208,309</u>	<u>\$ 337,255</u>

The \$174,443 of deferred outflows of resources resulting from the Town's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

**Note 12. Employee Retirement Plans (Continued)**

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

Year ending June 30,	
2016	\$ (67,666)
2017	(67,666)
2018	(67,666)
Thereafter	<u>-</u>
Total	<u>\$ (202,998)</u>

***Significant Actuarial Assumptions***

The total pension liability in the June 30, 2013 and 2014 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

**Interest Rate:** A select-and-ultimate interest rate set, specified below. The interest rate set is restarted every year:

Year 1: 6.25%	Year 10: 8.50%
Year 2: 6.75%	Year 11: 8.50%
Year 3: 7.00%	Year 12: 8.50%
Year 4: 7.50%	Year 13: 8.50%
Year 5: 7.75%	Year 14: 8.50%
Year 6: 8.25%	Year 15: 8.50%
Year 7: 8.25%	Year 16: 8.75%
Year 8: 8.25%	Year 17 and later: 9.00%
Year 9: 8.50%	

**Salary Increases:** 5% per year

**Deaths:**

Active participants - 50% of the probabilities in the 1995 Buck Mortality Tables for males and females.

Non-disabled retirees and terminated vested participants - The 1995 Buck Mortality Tables with no set-back for males and one-year set-back for females.

Disabled retirees - RP-2000 Disabled Life Tables

Beneficiaries - 1995 Buck Mortality Tables for males and females

**Spouse's Age:** Husbands are assumed to be three years older than their wives.

**Cost-of-Living Adjustments to Benefits of Terminated Vested and Retired Participants:**

Assumed to occur at the rate of 1.8% per annum for Groups B and C.

**Actuarial Cost Method:** Entry Age Normal - Level Percentage of Pay.

**Asset Valuation Method:** Invested assets are reported at fair value.

## Note 12. Employee Retirement Plans (Continued)

**Inflation:** The separately stated assumptions for investment return, salary increases and cost of living adjustments are consistent with an expected annual inflation rate of 3.00% to 3.25% per year.

### *Long-term expected rate of return*

The long-term expected rate of return on system investments was determined using best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) developed for each major asset class using an econometric model that forecasts a variety of economic environments and then calculates asset class returns based on functional relationships between the economic variable and the asset classes. These best estimate ranges were combined to produce forecasts of the short, intermediate, and longer term horizons by weighting the expected future nominal rates of return by the target asset allocation percentage. The various time horizons in the forecast are intended to capture more recent economic and capital market conditions as well as other plausible environments that could develop in the future over economic cycles. To reflect this in the rate-of-return assumption, a Select and Ultimate assumption setting approach, which is cited in Section 3.8.4 of Actuarial Standard of Practice No. 27 as an alternative to a single assumed rate of return, is employed.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	31.50%	6.70%
Fixed income	33.00%	2.94%
Alternatives	15.50%	6.26%
Multi-strategy	<u>20.00%</u>	5.98%
Total	<u>100.00%</u>	

Nominal long-term expected rates of return for these asset classes are equal to the sum of the above expected long-term real rates and the expected long-term inflation rate of 3.0%.

### *Discount Rate*

The discount rate used to measure the total pension liability was 8.23%. The projection of cash flows used to determine the discount rate assumed that contributions will continue to be made in accordance with the current funding policy. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current system members. The assumed discount rate has been determined in accordance with the method prescribed by GASB 68.

### *Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Change in the Discount Rate*

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 8.23 percent, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (7.23%) or one percent higher (9.23%) than the current rate:

**Note 12. Employee Retirement Plans (Continued)**

	Discount Rate	District's proportionate share of net pension liability
1% decrease	7.23%	\$ 921,385
Current discount rate	8.23%	\$ 109,371
1% increase	9.23%	\$ (571,884)

Detailed information about the plan's fiduciary net position is available in the separately issued State of Vermont Comprehensive Annual Financial Report. This report may be obtained by writing the State Auditor of Accounts, 132 State Street, Montpelier, VT 05602.

**Note 13. Property Taxes**

The Town is responsible for assessing and collecting its own property taxes as well as education taxes for the State of Vermont. The tax rate is set by the Board based on the voter approved budget, the estimated Grand List and the State education property tax liability. Taxes are due in three equal installments by the tenth of August, November and February. All late payments are subject to a 1% interest charge per month for the first 3 months and 1.5% per month thereafter. All taxes unpaid after February 15th are subject to a 1% penalty. Delinquent property taxes not collected within 60 days of year end are reflected as deferred inflows of resources. The tax rates for fiscal year 2015 was:

	Residential (per \$100 valuation)	Non-Residential (per \$100 valuation)
Town	\$ 0.2700	\$ 0.2700
Education	1.5294	1.5882
Total tax rate	<u>\$ 1.7994</u>	<u>\$ 1.8582</u>

**Note 14. Local options tax**

The Town levies a local option sales tax of 1% on goods and rooms and meals purchased in the Town of Williston. Of the local tax reported to the State of Vermont, 70% is paid to the Town on a quarterly basis. The State also charges an administration and collection fee.

During fiscal year 2015, \$4,257,809 in local option taxes were reported to the State of Vermont for fiscal year 2015. The State of Vermont's share is \$1,277,343 and \$2,980,466 was paid to the Town.

**Note 15. Risk Management**

The Town of Williston, Vermont 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 of Williston, Vermont maintains insurance coverage through the Vermont League of Cities and Town's 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 of Williston, Vermont.

**Note 15. Risk Management (Continued)**

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 Williston, Vermont is also a member of the Vermont League of Cities and Town's Unemployment Insurance Trust. The Unemployment Trust is a nonprofit corporation formed to provide unemployment coverage for Vermont municipalities and is owned by the participating members. The agreement does not permit the Unemployment Trust to make additional assessments to its members.

**Note 16. Superfund Site**

The Commerce Street plume, within the Town of Williston, has been identified by the Environmental Protection Agency (EPA) as a Superfund site. The EPA is in the process of identifying potential responsible parties. It is unknown if the Town will be considered a responsible party. However, any potential related liability has been determined to be immaterial.

**Note 17. Concentration of Expenses**

The Town purchased a major portion of its water from the Champlain Water District (CWD) for the year ended June 30, 2015. The Town incurred \$460,664 in expenses to CWD.

The Town purchased all of its sewage treatment from the Village of Essex Junction, Vermont for the year ended June 30, 2015. The Town incurred \$568,060 in treatment expenses to the Village of Essex Junction, Vermont.

**Note 18. Contingent Liabilities**

The Town is a participating member in the Chittenden Solid Waste District (CSWD) and Champlain Water District (CWD). The Town could be subject to a portion of the two District's debt if either District experiences financial problems.

## Note 19. Commitments

As of June 30, 2015, the Town is involved in many projects which have contracts in place that will affect the financial statements of future periods. The contracts are as follows:

<u>Project Name</u>	<u>Funding Source</u>	<u>Estimated Total Cost</u>	<u>% Completed at 6/30/15</u>
Reappraisal	Reappraisal Fund	\$ 240,300	8%
Harvest Lane Sidewalk Engineering	Grant/Sidewalk Bond	17,716	35%
Total Harvest Lane Project	Grant/Sidewalk Bond	253,750	2%
Rt2A Gravity Sewer Engineering	State Revolving Loan	6,900	21%
Rt2A Gravity Sewer Project, Total	State Revolving Loan	135,100	1%
Sewer Capacity Purchase	Sewer Revenue	500,000	0%
FEMA Pump Station Mitigation	FEMA/Sewer Fund	91,589	0%
FEMA Culvert Mitigation	FEMA/Bridge Fund	204,850	0%
Meadow Run/Beaudry Sidewalk	Grant/Sidewalk Bond	853,044	3%

Beginning July 1, 2011, the Town began purchasing increased capacity for the wastewater treatment plant over a period of five years for a total of \$500,000, with annual installments of \$100,000 per year. Payment is due before July 1 each year.

## Note 20. Contingency

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, 2015 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.

The Town is a party to various legal actions in the normal course of business, the aggregate effect of which, in management's opinion, would not be material to the financial condition of the Town of Williston, Vermont.

## Note 21. Subsequent Events

The Town of Williston, Vermont has evaluated all subsequent events through January 13, 2016, the date the financial statements were available to be issued.

Subsequent to year end, the Town purchased 39 acres on Christmas Lane for \$320,000. The Town's portion of the purchase price was \$160,000. The remainder of the purchase price was funded by the Vermont Land Trust. The Town subsequently transferred conservation restrictions to the Vermont Land Trust.

Subsequent to year end, the Town was involved with two mitigation projects relating to a culvert and pump station located on Old Stage Road. Construction started and completed in fiscal year 2015-2016. The total cost of the projects was \$205,888. The actual amount to be funded by FEMA is still to be determined. The Town anticipates it to be approximately \$165,583.

**Note 21. Subsequent Events (Continued)**

Subsequent to year end, the State of Vermont agreed to pay the Town \$60,574 as settlement for past stormwater charges owed to the Town for property owned by the State.

Beginning on July 1, 2015, the Town of Williston, Vermont will move the stormwater fund which is currently included in the general fund, to its own utility fund. The stormwater fund balance at June 30, 2015 of \$157,291 will be transferred out of the general fund and into the new stormwater fund.

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE 1**

**TOWN OF WILLISTON, VERMONT  
SCHEDULE OF THE TOWN'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
Vermont Municipal Employees Retirement System  
Last 2 Fiscal years**

	<u>2014</u>	<u>2013</u>
Town's proportion of the net pension liability	1.1984%	1.0821%
Town's proportionate share of the net pension liability	\$ 109,371	\$ 393,978
Town's covered-employee payroll	\$ 2,910,148	\$ 2,508,179
Town's portion of the net pension liability as a percentage of the covered-employee payroll	3.76%	15.71%
Plan fiduciary net position as a percentage of the total pension liability	98.32%	92.71%

**SCHEDULE 2**

**TOWN OF WILLISTON, VERMONT  
SCHEDULE OF THE TOWN'S CONTRIBUTIONS  
Vermont Municipal Employees Retirement System  
Last 2 Fiscal years**

	<u>2014</u>	<u>2013</u>
Statutorily required contribution	\$ 154,583	\$ 129,895
Contributions in relation to the statutorily required contribution	<u>154,583</u>	<u>129,895</u>
Annual contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Contributions in relation to the statutory required contribution as a percentage of the covered-employee payroll	5.31%	5.18%

**SUPPLEMENTARY INFORMATION**

**TOWN OF WILLISTON, VERMONT**  
**COMBINING BALANCE SHEET**  
**OTHER GOVERNMENTAL FUNDS**  
**June 30, 2015**

	Special Revenue Funds	Capital Project Funds	Permanent Fund Trustees of Public Funds	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,623,530	\$ 1,796,041	\$ 127,661	\$ 3,547,232
Receivables, net of allowance for uncollectibles	197,009	-	-	197,009
Due from other funds	15,736	12,849	-	28,585
	<u>1,836,275</u>	<u>1,808,890</u>	<u>127,661</u>	<u>3,772,826</u>
Total assets	<u>\$ 1,836,275</u>	<u>\$ 1,808,890</u>	<u>\$ 127,661</u>	<u>\$ 3,772,826</u>
<b>LIABILITIES</b>				
Due to other funds	\$ 62,684	\$ 47,333	\$ -	\$ 110,017
Unearned revenue	14,114	-	-	14,114
	<u>76,798</u>	<u>47,333</u>	<u>-</u>	<u>124,131</u>
Total liabilities	<u>76,798</u>	<u>47,333</u>	<u>-</u>	<u>124,131</u>
<b>FUND BALANCES</b>				
Nonspendable, restricted - Cemetery	-	-	126,723	126,723
Restricted	567,365	1,141,750	938	1,710,053
Committed	-	619,807	-	619,807
Assigned	1,192,112	-	-	1,192,112
	<u>1,759,477</u>	<u>1,761,557</u>	<u>127,661</u>	<u>3,648,695</u>
Total fund balances	<u>1,759,477</u>	<u>1,761,557</u>	<u>127,661</u>	<u>3,648,695</u>
Total liabilities and fund balances	<u>\$ 1,836,275</u>	<u>\$ 1,808,890</u>	<u>\$ 127,661</u>	<u>\$ 3,772,826</u>

**TOWN OF WILLISTON, VERMONT**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**OTHER GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2015**

	Special Revenue Funds	Capital Project Funds	Permanent Fund Trustees of Public Funds	Total
<b>REVENUES</b>				
Investment interest	\$ 4,691	\$ 5,002	\$ 303	\$ 9,996
Licenses, permits and fees	366,454	85,571	-	452,025
Intergovernmental revenues	441,563	-	-	441,563
Charges for services	7,100	-	-	7,100
Donations	9,905	-	-	9,905
Other revenues	2,650	27,448	-	30,098
	<u>832,363</u>	<u>118,021</u>	<u>303</u>	<u>950,687</u>
Total revenues				
<b>EXPENDITURES</b>				
General government	11,992	-	-	11,992
Public safety	189,087	43,182	-	232,269
Public works	50,843	5,679	-	56,522
Parks and recreation	5,980	6,049	-	12,029
Library	3,419	-	-	3,419
Cemetery	31,419	-	-	31,419
Debt service:				
Interest	-	15,710	-	15,710
Capital outlay:				
General government	56,377	-	-	56,377
Public safety	17,000	85,540	-	102,540
Public works	481,365	249,019	-	730,384
Parks and recreation	38,997	-	-	38,997
	<u>886,479</u>	<u>405,179</u>	<u>-</u>	<u>1,291,658</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>(54,116)</u>	<u>(287,158)</u>	<u>303</u>	<u>(340,971)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	60,000	234,120	-	294,120
Transfers out	(234,120)	-	-	(234,120)
	<u>(174,120)</u>	<u>234,120</u>	<u>-</u>	<u>60,000</u>
Total other financing sources (uses)				
Net change in fund balances	(228,236)	(53,038)	303	(280,971)
Fund balances - July 1, 2014	1,987,713	1,814,595	127,358	3,929,666
Fund balances - June 30, 2015	<u>\$ 1,759,477</u>	<u>\$ 1,761,557</u>	<u>\$ 127,661</u>	<u>\$ 3,648,695</u>

TOWN OF WILLISTON, VERMONT  
 COMBINING BALANCE SHEET  
 SPECIAL REVENUE FUNDS  
 June 30, 2015

	Conservation Fund	Host Town Fund	Cemetery Fund	Reappraisal Fund	Recreation Path Fund	Agriculture Mitigation Fund	Old Brick Church Fund	Records Restoration Fund	Grant Fund	Total
<b>ASSETS</b>										
Cash and cash equivalents	\$ 289,722	\$ 835,837	\$ 13,388	\$ 373,034	\$ 40,599	\$ 1,866	\$ -	\$ 69,084	\$ -	\$ 1,623,530
Receivables, net of allowance for uncollectibles	-	59,513	-	-	-	-	-	-	137,496	197,009
Due from other funds	-	13,563	-	-	-	-	-	2,173	-	15,736
Total assets	\$ 289,722	\$ 908,913	\$ 13,388	\$ 373,034	\$ 40,599	\$ 1,866	\$ -	\$ 71,257	\$ 137,496	\$ 1,836,275
<b>LIABILITIES</b>										
Due to other funds	\$ -	\$ 6,523	\$ 6,053	\$ 10,635	\$ -	\$ -	\$ -	\$ -	\$ 39,473	\$ 62,684
Unearned revenue	-	-	2,534	-	-	-	-	-	11,580	14,114
Total liabilities	-	6,523	8,587	10,635	-	-	-	-	51,053	76,798
<b>FUND BALANCES (DEFICITS)</b>										
Restricted	-	-	4,801	362,399	40,599	1,866	-	71,257	86,443	567,365
Assigned	289,722	902,390	-	-	-	-	-	-	-	1,192,112
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	289,722	902,390	4,801	362,399	40,599	1,866	-	71,257	86,443	1,759,477
Total liabilities and fund balances	\$ 289,722	\$ 908,913	\$ 13,388	\$ 373,034	\$ 40,599	\$ 1,866	\$ -	\$ 71,257	\$ 137,496	\$ 1,836,275

**TOWN OF WILLISTON, VERMONT**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)**  
**SPECIAL REVENUE FUNDS**  
 For the Year Ended June 30, 2015

	Conservation Fund	Host Town Fund	Cemetery Fund	Reappraisal Fund	Recreation Path Fund	Agriculture Mitigation Fund	Old Brick Church Fund	Records Restoration Fund	Grant Fund	Total
<b>REVENUES</b>										
Investment interest	\$ 1,358	\$ 2,528	\$ 7	\$ 529	\$ 102	\$ 5	\$ 4	\$ 158	\$ -	\$ 4,691
Licenses, permits and fees	-	338,464	1,712	-	-	-	-	26,278	-	366,454
Intergovernmental revenues	-	-	-	39,458	-	-	-	-	402,105	441,563
Charges for services	-	-	7,100	-	-	-	-	-	-	7,100
Donations	-	-	-	-	-	-	-	-	9,905	9,905
Other revenues	-	-	-	-	-	-	-	-	2,650	2,650
<b>Total revenues</b>	<b>1,358</b>	<b>340,992</b>	<b>8,819</b>	<b>39,987</b>	<b>102</b>	<b>5</b>	<b>4</b>	<b>26,436</b>	<b>414,660</b>	<b>832,363</b>
<b>EXPENDITURES</b>										
General government	-	7,030	-	-	-	-	-	-	4,962	11,992
Public safety	-	-	-	-	-	-	-	-	189,087	189,087
Public works	1,375	241	-	22,657	-	-	13,729	12,841	-	50,843
Parks and recreation	-	5,980	-	-	-	-	-	-	-	5,980
Library	-	-	-	-	-	-	-	-	3,419	3,419
Cemetery	-	-	31,419	-	-	-	-	-	-	31,419
Capital Outlay:										
General Government	-	22,399	-	-	-	-	-	-	33,978	56,377
Public safety	-	12,000	-	-	-	-	-	-	5,000	17,000
Public works	215,870	84,156	-	-	-	-	-	-	181,339	481,365
Parks and recreation	-	38,997	-	-	-	-	-	-	-	38,997
<b>Total expenditures</b>	<b>217,245</b>	<b>170,803</b>	<b>31,419</b>	<b>22,657</b>	<b>-</b>	<b>-</b>	<b>13,729</b>	<b>12,841</b>	<b>417,785</b>	<b>886,479</b>
Excess (deficiency) of revenues over expenditures	(215,887)	170,189	(22,600)	17,330	102	5	(13,725)	13,595	(3,125)	(54,116)
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	30,000	-	30,000	-	-	-	-	-	-	60,000
Transfers out	-	(234,120)	-	-	-	-	-	-	-	(234,120)
<b>Total other financing sources (uses)</b>	<b>30,000</b>	<b>(234,120)</b>	<b>30,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(174,120)</b>
Net change in fund balances	(185,887)	(63,931)	7,400	17,330	102	5	(13,725)	13,595	(3,125)	(228,236)
Fund balances (deficits) - July 1, 2014	475,609	966,321	(2,599)	345,069	40,497	1,861	13,725	57,662	89,568	1,987,713
Fund balances - June 30, 2015	\$ 289,722	\$ 902,390	\$ 4,801	\$ 362,399	\$ 40,599	\$ 1,866	\$ -	\$ 71,257	\$ 86,443	\$ 1,759,477

TOWN OF WILLISTON, VERMONT  
 COMBINING BALANCE SHEET  
 CAPITAL PROJECT FUNDS  
 June 30, 2015

		Road	Road	Road	Sidewalk	Equipment	Total
		Bridge	Recreation	Improvement	Taft Corners	Project	Replacement
		Fund	Fund	Fund	Fund	Fund	Fund
<b>ASSETS</b>							
Cash and cash equivalents	\$	54,639	268,017	23,173	516,132	377,932	1,796,041
Due from other funds		-	-	-	2,506	-	12,849
		<u>54,639</u>	<u>268,017</u>	<u>23,173</u>	<u>518,638</u>	<u>377,932</u>	<u>1,808,890</u>
<b>LIABILITIES</b>							
Due to other funds	\$	1,323	505	-	-	45,505	47,333
		<u>1,323</u>	<u>505</u>	<u>-</u>	<u>-</u>	<u>45,505</u>	<u>47,333</u>
<b>FUND BALANCES</b>							
Restricted		-	267,512	23,173	518,638	332,427	1,141,750
Committed		53,316	-	-	-	-	619,807
		<u>53,316</u>	<u>267,512</u>	<u>23,173</u>	<u>518,638</u>	<u>332,427</u>	<u>1,761,557</u>
Total fund balances							
		<u>54,639</u>	<u>268,017</u>	<u>23,173</u>	<u>518,638</u>	<u>377,932</u>	<u>1,808,890</u>
Total liabilities and fund balances							
		<u>54,639</u>	<u>268,017</u>	<u>23,173</u>	<u>518,638</u>	<u>377,932</u>	<u>1,808,890</u>

**TOWN OF WILLISTON, VERMONT**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECT FUNDS**  
**For the Year Ended June 30, 2015**

	Bridge	Recreation	Road	Road	Road	Sidewalk	Equipment	Total	
	Fund	Fund	Improvement	Improvement	Improvement	Project	Replacement	Fund	
	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund
<b>REVENUES</b>									
Investment interest	\$ 136	\$ 720	\$ 37	\$ 1,292	\$ 1,181	\$ 1,636	\$ 5,002		
Licenses, permits and fees	-	75,546	-	10,025	-	-	85,571		
Other revenues	-	-	-	-	-	27,448	27,448		
<b>Total revenues</b>	<u>136</u>	<u>76,266</u>	<u>37</u>	<u>11,317</u>	<u>1,181</u>	<u>29,084</u>	<u>118,021</u>		
<b>EXPENDITURES</b>									
Public safety	-	-	-	-	-	43,182	43,182		
Public works	-	3,669	-	-	-	2,010	5,679		
Parks and recreation	-	6,049	-	-	-	-	6,049		
Debt service:									
Interest	-	15,710	-	-	-	-	15,710		
Capital outlay:									
Public safety	-	-	-	-	-	85,540	85,540		
Public works	1,323	-	-	145,679	66,331	35,686	249,019		
<b>Total expenditures</b>	<u>1,323</u>	<u>25,428</u>	<u>-</u>	<u>145,679</u>	<u>66,331</u>	<u>166,418</u>	<u>405,179</u>		
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,187)</u>	<u>50,838</u>	<u>37</u>	<u>(134,362)</u>	<u>(65,150)</u>	<u>(137,334)</u>	<u>(287,158)</u>		
<b>OTHER FINANCING SOURCES</b>									
Transfers in	-	-	-	-	-	234,120	234,120		
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>234,120</u>	<u>234,120</u>		
<b>Net change in fund balances</b>	<u>(1,187)</u>	<u>50,838</u>	<u>37</u>	<u>(134,362)</u>	<u>(65,150)</u>	<u>96,786</u>	<u>(53,038)</u>		
<b>Fund balances - July 1, 2014</b>	<u>54,503</u>	<u>216,674</u>	<u>23,136</u>	<u>653,000</u>	<u>397,577</u>	<u>469,705</u>	<u>1,814,595</u>		
<b>Fund balances - June 30, 2015</b>	<u>\$ 53,316</u>	<u>\$ 267,512</u>	<u>\$ 23,173</u>	<u>\$ 518,638</u>	<u>\$ 332,427</u>	<u>\$ 566,491</u>	<u>\$ 1,761,557</u>		