

A.M. PEISCH & COMPANY, LLP
SINCE 1920

CERTIFIED PUBLIC ACCOUNTANTS
& BUSINESS CONSULTANTS

January 13, 2016

To the Selectboard
Town of Williston
7900 Williston Road
Williston, VT 05495

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Williston, Vermont for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 18, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Williston, Vermont are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the Town of Williston, Vermont changed accounting policies relating to reporting of its participation in pension plans by adopting Statement of Governmental Accounting Standards (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*. The effect of the implementation of the standards is to present the Town's proportionate shares of the net pension liabilities, pension expense, and deferred outflows and inflows of resources relating to pension plans. Implementation of these new standards required a restatement of beginning net position to reclassify pension related items that had been closed to net position for the prior year.

We noted no transactions entered into by the Town of Williston, Vermont during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the Town of Williston, Vermont's financial statements were:

offices

401 Water Tower Circle
Suite 302
Colchester, VT 05446
(802) 654-7255

27 Center Street
P.O. Box 326
Rutland, VT 05702
(802) 773-2721

181 North Main Street
St. Albans, VT 05478
(802) 527-0505

1020 Memorial Drive
St. Johnsbury, VT 05819
(802) 748-5654

57 Farmvu Drive
White River Jct., VT 05001
(802) 295-9349

| <u>Accounting Estimate</u> | <u>Basis</u> |
|--|--|
| Grant revenue and receivables | Expected allowable costs |
| Allowance for uncollectible accounts and notes receivable | Historical loss levels and analyses of the collectability of individual accounts |
| Amortization of capacity rights | Estimated useful life using the straight-line method |
| Depreciation | Estimated useful life using the straight-line method |
| Accrued compensated absences | Vested or accumulated vacation leave and accumulated sick pay estimated to be paid on retirement |
| Accounting and Financial reporting for pensions | Actuarial assumptions and methods used to measure pension liabilities and costs |

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Below are the uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually or in the aggregate, to the financial statements taken as a whole.

- a) Beginning equity is overstated by \$10,432 due to the current year effect of uncollectible delinquent property taxes, interest and penalties owed on a town owned property which sold July 2013.
- b) General Fund accounts receivable and revenue are overstated by \$8,624 due to stormwater fees charged to the State of Vermont that were subsequently dismissed in the agreed settlement.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 13, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Town of Williston, Vermont's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the

consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Town of Williston, Vermont's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis (MD&A), which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Combining Fund Statements and Schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Combining Fund Statements and Schedules, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

We want to thank the Finance Director and the staff at the Town of Williston, Vermont for their assistance during this audit.

Restriction on Use

This information is intended solely for the use of the Selectboard and management of the Town of Williston, Vermont and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A.M. Peisch & Company, LLP

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