



**TOWN OF WILLISTON, VERMONT**

**FINANCIAL STATEMENTS**

**June 30, 2016**



## CONTENTS

	Page
<b>INDEPENDENT AUDITOR'S REPORT</b>	1 - 3
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	4 - 12
<b>Basic Financial Statements:</b>	
Government-wide financial statements	
Statement of net position	Exhibit A 13
Statement of activities	Exhibit B 14
Fund financial statements	
Governmental funds	
Balance sheet	Exhibit C 15
Reconciliation of the governmental funds balance sheet to the statement of net position	Exhibit D 16
Statement of revenues, expenditures, and changes in fund balances	Exhibit E 17
Reconciliation of the governmental funds statement of revenues, expenditures, and changes in fund balances to the statement of activities	Exhibit F 18
Statement of revenues, expenditures, and changes in fund balances – budget to actual – General Fund	Exhibit G 19 – 30
Proprietary funds	
Statement of net position	Exhibit H 31
Statement of revenues, expenses, and changes in net position	Exhibit I 32
Statement of cash flows	Exhibit J 33 and 34
Fiduciary funds	
Statement of fiduciary net position	Exhibit K 35
Notes to financial statements	36-63
<b>Required Supplementary Information</b>	
Schedule of the Town's proportionate share of the net pension liability	Schedule 1 64
Schedule of the Town's contributions	Schedule 2 64
Notes to Required Supplementary Information - Pension	65
<b>Other Supplementary Information</b>	
Combining balance sheet – Other governmental funds	Schedule 3 66
Combining schedule of revenues, expenditures, and changes in fund balances – Other governmental funds	Schedule 4 67
Combining balance sheet – special revenue funds	Schedule 5 68
Combining schedule of revenues, expenditures, and changes in fund balances (deficits) – Special revenue funds	Schedule 6 69
Combining balance sheet – Capital project funds	Schedule 7 70
Combining schedule of revenues, expenditures, and changes in fund balances – Capital project funds	Schedule 8 71

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, 2016, and the related notes to the financial statements, which collectively comprise the Town of Williston'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.

## ***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, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***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 64 and the notes to the required supplementary information 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 other 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 and the schedule of expenditures of federal awards 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 17, 2017 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 17, 2017  
VT Reg. No. 92-0000102

**TOWN OF WILLISTON, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2016**

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, 2016. 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 less total liabilities) increased by \$2,284,359 as a result of this year's operations. Net position of our business-type activities (Water and Sewer department operations) increased by \$849,935. Net position of our governmental activities increased by \$1,434,424.
- The cost of all of the Town's programs was \$12,668,405 this year, compared with \$12,074,792 last year.
- The General Fund reported an increase in fund balance this year of \$223,842 which was \$691,092 better than the budgeted use of fund balance of \$467,250.
- The fund balance for the General Fund was \$2,771,286 as of June 30, 2016, compared with a fund balance of \$2,547,444 as of June 30, 2015.
- The Water Fund's net position increased by \$17,014 or 0.1%, to \$8,788,962. The Sewer Fund's net position increased by \$266,500, or 1.9%, to \$14,497,879. The Meadowridge Sewer Fund decreased its net position by \$17,189 to \$519,660.
- The Stormwater fund was transferred from the General Fund to the Proprietary Fund in FY2016 and its net position is \$583,610 at the end of the year.

**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) 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 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, local options tax, 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, sewer and stormwater 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 Grant 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 E and G.
- Proprietary funds – The Town's Water, Meadowridge Sewer, Stormwater 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 \$2,284,359 from a year ago – increasing from \$52,117,950 to \$54,402,309. 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) and total liabilities.

Table 1  
Net Position

	Governmental Activities 2016	Governmental Activities 2015	Business-type Activities 2016	Business-type Activities 2015
Current and other assets	\$ 8,895,399	\$ 8,720,161	\$ 7,278,434	\$ 6,205,163
Capital assets	31,969,463	31,107,676	18,842,133	19,030,501
Total assets	<u>40,864,862</u>	<u>39,827,837</u>	<u>26,120,567</u>	<u>25,235,664</u>
Deferred Outflows, pension	554,331	189,197	85,540	19,112
Long term liabilities	10,102,492	10,166,911	1,903,596	1,883,704
Other liabilities	1,153,065	797,635	(87,600)	(200,064)
Total liabilities	<u>11,255,557</u>	<u>10,964,546</u>	<u>1,815,996</u>	<u>1,683,640</u>
Taxes and fees collected in advance	151,438	168,419	-	-
Deferred Inflows, pension	-	306,295	-	30,960
Total Deferred Inflows of Resources	<u>151,438</u>	<u>474,714</u>	<u>-</u>	<u>30,960</u>
Net position:				
Net investment in capital assets	22,955,865	21,529,824	17,073,221	17,161,439
Restricted	4,221,856	3,718,231	1,992,594	1,956,783
Unrestricted	2,834,477	3,329,719	5,324,296	4,421,954
Total net position	<u>\$ 30,012,198</u>	<u>\$ 28,577,774</u>	<u>\$ 24,390,111</u>	<u>\$ 23,540,176</u>



Net position of the Town's governmental activities increased by \$1,434,424, or approximately 5.0%, (\$30,012,198 compared to \$28,577,774) in fiscal year 2016. The amount invested in capital assets, net of related debt increased by \$1,426,041. Total restricted net position increased by \$503,625 and unrestricted net position decreased by \$495,242. 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, Stormwater & Sewer departments) increased by \$849,935 (\$24,390,111 compared to \$23,540,176) in fiscal year 2016. 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 2016	Business-type Activities 2016	Total Primary Government 2016	Governmental Activities 2015	Business-type Activities 2015	Total Primary Government 2015
<b>REVENUES</b>						
<b>Program revenues:</b>						
Charges for services	\$ 1,345,378	\$ 3,303,925	\$ 4,649,303	\$ 1,475,580	\$ 2,776,883	\$ 4,252,463
Operating grants and contributions	524,746	1,244	525,990	391,555	-	391,555
Capital grants and contributions	1,164,372	109,934	1,274,306	592,025	310,393	902,418
<b>General revenues:</b>						
Property taxes	5,025,575	-	5,025,575	4,741,730	-	4,741,730
Local options tax	2,930,258	-	2,930,258	2,980,466	-	2,980,466
Investment earnings	30,354	11,542	41,896	25,049	9,359	34,408
Gain on sale of assets	113,811	11,780	125,591	810,178	60,557	870,735
Host fees and other general revenue	131,183	248,662	379,845	439,073	-	439,073
<b>Total revenues</b>	<b>11,265,677</b>	<b>3,687,087</b>	<b>14,952,764</b>	<b>11,455,656</b>	<b>3,157,192</b>	<b>14,612,848</b>
<b>PROGRAM EXPENSES</b>						
General government	1,752,223	-	1,752,223	1,424,404	-	1,424,404
Public safety	4,057,335	-	4,057,335	4,052,281	-	4,052,281
Public works	2,199,368	-	2,199,368	2,370,394	-	2,370,394
Cemetery	33,140	-	33,140	32,479	-	32,479
Culture and recreation	1,312,846	-	1,312,846	1,236,918	-	1,236,918
Housing Development	116,446	-	116,446	-	-	-
Interest on long-term debt	359,895	-	359,895	394,631	-	394,631
Water	-	1,056,802	1,056,802	-	1,177,991	1,177,991
Meadowridge sewer	-	17,581	17,581	-	17,924	17,924
Sewer	-	1,371,868	1,371,868	-	1,367,770	1,367,770
Stormwater	-	390,901	390,901	-	-	-
<b>Total program expenses</b>	<b>9,831,253</b>	<b>2,837,152</b>	<b>12,668,405</b>	<b>9,511,107</b>	<b>2,563,685</b>	<b>12,074,792</b>
Restatement, new accounting rules	-	-	-	(217,419)	(21,976)	(239,395)
<b>Increase in net position</b>	<b>\$ 1,434,424</b>	<b>\$ 849,935</b>	<b>\$ 2,284,359</b>	<b>\$ 1,727,130</b>	<b>\$ 571,531</b>	<b>\$ 2,298,661</b>

Table 3 presents the cost of each of the Town's largest programs – general government, public safety, public works, parks and recreation, library, 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 expense that was taken on by the Town's taxpayers for each of these services.

Table 3 - Governmental Activities

	Total Cost of Services 2016	Net Cost of Services 2016	Total Cost of Services 2015	Net Cost of Services 2015
General government	\$ 1,752,223	\$ 1,358,009	\$ 1,424,404	\$ 1,095,459
Public safety	4,057,335	3,494,995	4,052,281	3,490,253
Public works	2,199,368	622,620	2,370,394	1,058,595
Parks and recreation	647,493	306,655	640,112	396,982
Library	665,353	651,906	596,806	592,360
Cemetery	33,140	2,677	32,479	23,667
Housing Development	116,446			
Interest on long-term debt	359,895	359,895	394,631	394,631
Totals	<u>\$ 9,831,253</u>	<u>\$ 6,796,757</u>	<u>\$ 9,511,107</u>	<u>\$ 7,051,947</u>

*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 \$6,702,990, which is \$162,449 less than last year's total of \$6,865,439. The General Fund increased by \$223,842 and the other governmental funds decreased by \$386,291. The major reasons for the increases and decrease in other governmental funds are:

- The Conservation Fund balance decreased by \$20,300 due to the purchase of conservation easements on the Herskowitz farm exceeding the Town's contribution to the fund.
- The Reappraisal Fund decreased by \$112,416 due to the town wide appraisal project in the spring of 2016.
- The Records Restoration Fund has increased by \$16,414. These funds are being saved for a remodel of the vault in the Town Annex building.
- The Bridge Fund decreased by \$40,943. These funds were used for the Industrial Avenue Bridge project that was completed in FY2016.
- The Road Improvement Fund increased by \$67,422, due to higher than usual impact fee revenue from new housing projects, and limited capital improvements being made in 2016.
- The Sidewalk Fund balance decreased by \$99,531 due to capital expenditures for sidewalk construction at Meadowrun.

*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 2016 to the approved budget for the General Fund. Revenues were more than expenditures and transfers by \$223,842 which was \$691,092 better than the budget. None of the budgeted use of Fund Balance of \$467,250, was used. The most significant variances were as follows:

	Variance Favorable/ (Unfavorable)
<b>REVENUES</b>	
Local option tax	120,258
Planning and zoning fees	18,531
Public safety fees	19,072
Highway lease revenue	95,430
Recreation revenues	130,233
Ambulance fees	(19,155)
<b>EXPENDITURES</b>	
Police patrol services	270,584
Firefighting & emergency medical services	29,322
Planning and zoning	46,322
Highway	228,644
Recreation services	(78,285)
Debt Service	(95,330)

Local option taxes exceeded budget due to higher revenue in Rooms & Meals taxes throughout the year. Planning and Zoning revenues were higher than budget due to a slight increase in fees and a more significant increase in projects. Public Safety fees increased throughout the year. Recreation revenues were higher due to increased programming. Ambulance fee revenues were still behind 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 lower than expected on call wages and benefits. Savings were realized in the Planning office due to staff vacancy in the conversation department for part of the year. The Highway department had savings in winter wages and benefits. The Highway department also delayed spending on other projects due to the large expense of the Talcott Road Culvert. Grant funds were received to offset this large expense. Recreation expenses were higher due to more participants and higher revenues in the recreation programs offered. Debt service was higher than budgeted due to timing of interest payment on the public works facility.

### *Water, Sewer, and Stormwater Highlights*

Exhibit I shows actual results for the Water, Meadowridge Sewer, Sewer and Stormwater Funds for fiscal year 2016. Operating revenues exceeded operating expenses (not including depreciation) by \$182,088 in the Water Fund. Revenues exceeded expenses (not including depreciation and amortization) by \$330,500 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 gain of \$17,014, the Meadowridge Sewer Fund had an operating loss of \$17,189 and the Sewer Fund had an operating surplus of \$266,500.

In the Water Fund, revenues and expenditures stayed fairly close to budget. Water line maintenance costs were under budget by \$10,826, due to no major line breaks throughout the year. In addition to regular revenues and expenses, \$211,943 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 2016, these amounts totaled \$17,189.

In the Sewer Fund, user fees exceeded budget by \$28,901. Hook on fees and allocation revenue exceeded budget by \$74,236 due to new housing and commercial construction. Total regular expenses were under budget by \$330,500. A large portion of this savings was the timing of the treatment plant debt payment and the savings from additional capacity purchase. In addition to regular revenues and expenses, \$315,139 was charged to the fund for accumulated depreciation of existing lines and equipment and amortization of capacity rights.

In FY2016, the Stormwater Fund was transferred from the General Fund to a Proprietary Fund. Charges for services were 92% of budget for the fiscal year. Operating expenses were under budget due to the timing of capital projects. The fund had a net position of \$583,610 at the end of the year.

## Capital Asset and Debt Administration

### Capital Assets

At June 30, 2016, the Town had \$50,811,596 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 \$673,419 compared to last year.

This year's net additions were:

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

	Governmental	Business-type	Totals	Governmental	Business-type	Totals
	Activities	Activities		Activities	Activities	
	2016	2016	2016	2015	2015	2015
Land	\$ 3,421,688	\$ 383,099	\$ 3,804,787	\$ 3,351,688	\$ 383,099	\$ 3,734,787
Construction in progress	133,238	38,416	171,654	175,594	7,799	183,393
Buildings and improvements	11,620,496	-	11,620,496	11,848,231	-	11,848,231
Vehicles and equipment	3,304,829	505,392	3,810,221	3,089,535	444,980	3,534,515
Infrastructure	13,489,212	149,683	13,638,895	12,642,628	-	12,642,628
Water and sewer systems	-	17,765,543	17,765,543	-	18,194,623	18,194,623
<b>Totals</b>	<b>\$ 31,969,463</b>	<b>\$ 18,842,133</b>	<b>\$ 50,811,596</b>	<b>\$ 31,107,676</b>	<b>\$ 19,030,501</b>	<b>\$ 50,138,177</b>

### UPCOMING CAPITAL PROJECTS

Capital projects in the Town's FY 2017 budget for Governmental Funds include municipal energy efficiency upgrades, library front courtyard, park improvements and savings for various vehicles and equipment.

Capital projects planned in FY 2017 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, 2016, the Town had \$10,782,510 in bonds and notes outstanding versus \$11,691,778 on June 30, 2015 - as shown in Table 5.

Table 5  
Changes in Long-Term Debt

	Governmental	Business-type	Total
	Bonds, Notes	Bonds, Notes	Bonds, Notes
Balance - June 30, 2015	\$ 9,822,716	\$ 1,869,062	\$ 11,691,778
Debt proceeds	-	-	-
Debt forgiveness	-	-	-
Principal payments	(809,118)	(100,150)	(909,268)
<b>Balance - June 30, 2016</b>	<b>\$ 9,013,598</b>	<b>\$ 1,768,912</b>	<b>\$ 10,782,510</b>

The Town did not take on any new debt in fiscal year 2016 for Governmental or Business-type activities.

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

The Town's elected and appointed officials considered many factors when setting the fiscal year 2017 budget, tax rates and fees that will be charged for the business-type activities. At Town Meeting in March the voters approved a budget with a one cent increase for municipal taxes. In setting the tax rate for 2017, the Selectboard reviewed the 2016 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, 2016 was \$2,771,286. This is above the Town's upper guidelines which call for a fund balance between 10% and 20% of the operating budget. The 2017 budget called for use of \$610,100 of fund balance to support expenses. This would result in a June 2017 fund balance of \$2,161,186, still within policy guidelines, but at the upper end. With this information in mind, the Selectboard set the tax rate at \$0.2900. The tax rate was reduced to \$0.265 upon completion of town wide appraisal in spring 2016. The Selectboard also voted to increase the water rates from \$4.30 to \$4.55 per thousand gallons, and hold the sewer rate at \$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 adequate 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 Finance Director, Town of Williston, 7900 Williston Road, Williston, VT 05495.

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF NET POSITION**  
June 30, 2016

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 6,008,520	\$ 4,286,998	\$ 10,295,518
Receivables, net of allowance for uncollectibles	2,010,360	457,602	2,467,962
Loans receivable - Current	-	26,007	26,007
Loans receivable - Long term	770,900	468,556	1,239,456
Prepaid expenses	105,619	46,677	152,296
Other assets:			
Prepaid capacity rights, net of amortization	-	1,992,594	1,992,594
Capital assets:			
Land	3,421,688	383,099	3,804,787
Construction in progress	133,238	38,416	171,654
Other capital assets, net of accumulated depreciation	<u>28,414,537</u>	<u>18,420,618</u>	<u>46,835,155</u>
 Total assets	 <u>40,864,862</u>	 <u>26,120,567</u>	 <u>66,985,429</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources - Pension	<u>554,331</u>	<u>85,540</u>	<u>639,871</u>
<b>LIABILITIES</b>			
Accounts payable	809,243	-	809,243
Accrued payroll and benefits payable	93,825	-	93,825
Accrued interest payable	41,103	20,559	61,662
Internal balances	108,282	(108,282)	-
Due to agency funds	15,258	-	15,258
Due to other governments	1,911	123	2,034
Due to school	2,874	-	2,874
Unearned revenue	80,569	-	80,569
Noncurrent liabilities:			
Bonds and capital leases due within one year	743,475	108,369	851,844
Bonds and capital leases due in more than one year	8,270,123	1,660,543	9,930,666
Accrued compensated absences	254,693	5,937	260,630
Net pension liability	<u>834,201</u>	<u>128,747</u>	<u>962,948</u>
 Total liabilities	 <u>11,255,557</u>	 <u>1,815,996</u>	 <u>13,071,553</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Taxes and fees collected in advance	<u>151,438</u>	<u>-</u>	<u>151,438</u>
 Total deferred inflows of resources	 <u>151,438</u>	 <u>-</u>	 <u>151,438</u>
<b>NET POSITION</b>			
Net investment in capital assets	22,955,865	17,073,221	40,029,086
Restricted for:			
Cemeteries	127,966	-	127,966
Capital projects	1,903,815	1,992,594	3,896,409
Community development	770,900	-	770,900
Other	1,419,175	-	1,419,175
Unrestricted	<u>2,834,477</u>	<u>5,324,296</u>	<u>8,158,773</u>
 Total net position	 <u>\$ 30,012,198</u>	 <u>\$ 24,390,111</u>	 <u>\$ 54,402,309</u>

See accompanying notes.

**EXHIBIT B**

**TOWN OF WILLISTON, VERMONT  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2016**

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	\$ 1,752,223	\$ 348,789	\$ 45,425	\$ -	\$ (1,358,009)	\$ -	\$ (1,358,009)
Public safety	4,057,335	369,867	165,132	27,341	(3,494,995)	-	(3,494,995)
Public works	2,199,368	278,997	160,720	1,137,031	(622,620)	-	(622,620)
Parks and recreation	647,493	339,533	1,305	-	(306,655)	-	(306,655)
Library	665,353	-	13,447	-	(651,906)	-	(651,906)
Cemetery	33,140	8,192	22,271	-	(2,677)	-	(2,677)
Housing development	116,446	-	116,446	-	-	-	-
Interest on long-term debt	359,895	-	-	-	(359,895)	-	(359,895)
<b>Total governmental activities</b>	<b>9,831,253</b>	<b>1,345,378</b>	<b>524,746</b>	<b>1,164,372</b>	<b>(6,796,757)</b>	<b>-</b>	<b>(6,796,757)</b>
<b>Business-type activities:</b>							
Water	1,056,802	1,065,444	-	-	-	8,642	8,642
Meadowridge sewer	17,581	362	-	-	-	(17,219)	(17,219)
Wastewater	1,371,868	1,546,755	-	77,027	-	251,914	251,914
Stormwater	390,901	691,364	1,244	32,907	-	334,614	334,614
<b>Total business-type activities</b>	<b>2,837,152</b>	<b>3,303,925</b>	<b>1,244</b>	<b>109,934</b>	<b>-</b>	<b>577,951</b>	<b>577,951</b>
<b>Total</b>	<b>\$ 12,668,405</b>	<b>\$ 4,649,303</b>	<b>\$ 525,990</b>	<b>\$ 1,274,306</b>	<b>(6,796,757)</b>	<b>577,951</b>	<b>(6,218,806)</b>
<b>General revenues:</b>							
Property taxes					4,843,418	-	4,843,418
Payment in lieu of taxes					117,376	-	117,376
Interest and penalties on delinquent taxes					64,781	-	64,781
Local option tax					2,930,258	-	2,930,258
Investment earnings					30,354	11,542	41,896
Host town fees					324,352	-	324,352
Gain on sale of assets					113,811	11,780	125,591
Transfers in					-	238,492	238,492
Transfers out					(238,492)	-	(238,492)
Other income					45,323	10,170	55,493
<b>Total general revenues</b>					<b>8,231,181</b>	<b>271,984</b>	<b>8,503,165</b>
<b>Change in net position</b>					<b>1,434,424</b>	<b>849,935</b>	<b>2,284,359</b>
<b>Net position - July 1, 2015</b>					<b>28,577,774</b>	<b>23,540,176</b>	<b>52,117,950</b>
<b>Net position - June 30, 2016</b>					<b>\$ 30,012,198</b>	<b>\$ 24,390,111</b>	<b>\$ 54,402,309</b>

See accompanying notes.



**TOWN OF WILLISTON, VERMONT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2016**

	General Fund	Community Development Fund	Grant Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash	\$ 2,842,473	\$ -	\$ -	\$ 3,166,047	\$ 6,008,520
Receivables, net of allowance for uncollectibles	1,194,389	-	637,459	178,512	2,010,360
Loans receivable - Long term	-	770,900	-	-	770,900
Prepaid expenses	140,845	-	-	-	140,845
Due from other funds	-	-	-	798,363	798,363
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	\$ 4,177,707	\$ 770,900	\$ 637,459	\$ 4,142,922	\$ 9,728,988
<b>LIABILITIES</b>					
Accounts payable	\$ 693,453	\$ -	\$ -	\$ 115,790	\$ 809,243
Accrued payroll and benefits payable	93,825	-	-	-	93,825
Due to other funds	254,327	-	471,039	181,279	906,645
Due to agency funds	15,258	-	-	-	15,258
Due to other governments	1,911	-	-	-	1,911
Due to school	2,874	-	-	-	2,874
Unearned revenue	-	770,900	78,035	2,534	851,469
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	1,061,648	770,900	549,074	299,603	2,681,225
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Taxes and fees collected in advance	151,438	-	-	-	151,438
Unavailable revenue - taxes	193,335	-	-	-	193,335
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	344,773	-	-	-	344,773
<b>FUND BALANCES</b>					
Nonspendable - Prepays	140,845	-	-	-	140,845
Nonspendable - Cemetery	-	-	-	127,028	127,028
Restricted	-	-	88,385	2,180,694	2,269,079
Committed	-	-	-	584,410	584,410
Assigned	-	-	-	951,187	951,187
Unassigned	2,630,441	-	-	-	2,630,441
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	2,771,286	-	88,385	3,843,319	6,702,990
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows of resources and fund balances	\$ 4,177,707	\$ 770,900	\$ 637,459	\$ 4,142,922	\$ 9,728,988

See accompanying notes.

**TOWN OF WILLISTON, VERMONT**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS**  
**BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
**June 30, 2016**

Total fund balances - Governmental funds	\$ 6,702,990
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.	193,335
Prepaid expenses related to lease payable that was paid before year end is reduced in the statement of net position.	(35,226)
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.	(279,870)
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 \$43,494,464, and the accumulated depreciation is \$11,525,001.	31,969,463
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>(9,309,394)</u>
Total net position - Governmental activities	<u>\$ 30,012,198</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, 2016**

	General Fund	Community Development Fund	Grant Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Property taxes	\$ 4,818,228	\$ -	\$ -	\$ -	\$ 4,818,228
Payment in lieu of taxes	117,376	-	-	-	117,376
Interest and penalties on property taxes	60,623	-	-	-	60,623
Local option tax	2,930,258	-	-	-	2,930,258
Investment interest	21,182	-	-	9,172	30,354
Licenses, permits and fees	394,199	-	-	477,606	871,805
Intergovernmental revenues	160,720	-	1,123,484	152,112	1,436,316
Charges for services	790,538	-	-	7,350	797,888
Donations	-	-	22,736	22,271	45,007
Other revenues	43,009	-	15	-	43,024
	<u>9,336,133</u>	<u>-</u>	<u>1,146,235</u>	<u>668,511</u>	<u>11,150,879</u>
<b>Total revenues</b>					
<b>EXPENDITURES</b>					
General government	1,447,473	-	9,759	175,371	1,632,603
Public safety	3,449,462	-	171,495	5,111	3,626,068
Public works	1,005,689	-	3,790	18,601	1,028,080
Parks and recreation	615,847	-	1,306	-	617,153
Library	624,963	-	7,377	-	632,340
Cemetery	-	-	-	33,140	33,140
Housing development	-	-	-	116,446	116,446
Debt service:					
Principal	775,264	-	-	-	775,264
Interest	347,930	-	-	15,710	363,640
Capital outlay:					
General government	32,883	-	-	21,074	53,957
Public safety	-	-	21,850	127,532	149,382
Public works	451,157	-	928,716	733,131	2,113,004
Parks and recreation	16,332	-	-	126,871	143,203
Library	20,000	-	-	31,167	51,167
	<u>8,787,000</u>	<u>-</u>	<u>1,144,293</u>	<u>1,404,154</u>	<u>11,335,447</u>
<b>Total expenditures</b>					
Excess (deficiency) of revenues over expenditures	<u>549,133</u>	<u>-</u>	<u>1,942</u>	<u>(735,643)</u>	<u>(184,568)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	428,990	428,990
Transfers out	(168,000)	-	-	(260,990)	(428,990)
Transfer of assets to stormwater fund	(157,291)	-	-	-	(157,291)
Proceeds from sale of assets	-	-	-	179,410	179,410
	<u>(325,291)</u>	<u>-</u>	<u>-</u>	<u>347,410</u>	<u>22,119</u>
<b>Total other financing sources (uses)</b>					
Net change in fund balances	223,842	-	1,942	(388,233)	(162,449)
Fund balances - July 1, 2015	<u>2,547,444</u>	<u>-</u>	<u>86,443</u>	<u>4,231,552</u>	<u>6,865,439</u>
Fund balances - June 30, 2016	<u>\$ 2,771,286</u>	<u>\$ -</u>	<u>\$ 88,385</u>	<u>\$ 3,843,319</u>	<u>\$ 6,702,990</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, 2016**

Total net change in fund balances - governmental funds \$ (162,449)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	\$ 2,626,293	
Depreciation expense	(1,607,720)	
Net effect of sales and trade ins	<u>(156,786)</u>	
Capital asset additions, net of depreciation, sales and trade ins		861,787

Interest expense related to lease payable that was paid before year end is increased in the statement of activities. (1,371)

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 \$9,829. (9,829)

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 decreased this year. 5,116

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. 29,348

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 775,264

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. (63,442)

Change in net position of governmental activities \$ 1,434,424

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, 2016

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Property taxes	\$ 4,816,770	\$ 4,818,228	\$ 1,458
Payments in lieu of taxes	103,110	117,376	14,266
Interest and penalties on property taxes	68,000	60,623	(7,377)
Local option tax	2,810,000	2,930,258	120,258
Investment interest	15,000	21,182	6,182
Licenses, permits, and fees:			
Town clerk fees:			
Recording legal documents	110,000	95,110	(14,890)
Copies of vital certificates	5,000	5,544	544
Issuing licenses - Municipal portion	35,000	51,201	16,201
Use of town copier	11,500	14,181	2,681
Vault time	3,000	3,068	68
Miscellaneous	1,200	2,570	1,370
Alcoholic beverage licenses	3,350	3,655	305
Dog licenses	6,400	6,082	(318)
Listers' office copies	-	685	685
Total town clerk fees	175,450	182,096	6,646
Planning and zoning:			
Planning fees	20,000	25,005	5,005
Permits	100,000	113,526	13,526
Total planning and zoning	120,000	138,531	18,531
Public safety:			
Miscellaneous	5,000	4,322	(678)
Court fines	33,000	36,995	3,995
False alarm fees	15,000	26,673	11,673
Police fees	-	1,060	1,060
Fire and rescue fees	1,500	4,522	3,022
Total public safety	54,500	73,572	19,072
Total licenses, permits and fees	349,950	394,199	44,249
Intergovernmental revenues:			
Highway:			
State aid	159,180	160,720	1,540
Total highway	159,180	160,720	1,540

(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, 2016**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Total intergovernmental revenues	<u>159,180</u>	<u>160,720</u>	<u>1,540</u>
Charges for services:			
Highway:			
Consulting engineers	1,000	1,500	500
Miscellaneous	30,180	40,140	9,960
Highway lease revenue	-	95,430	95,430
Right of way use fee	<u>11,660</u>	<u>17,640</u>	<u>5,980</u>
Total highway	<u>42,840</u>	<u>154,710</u>	<u>111,870</u>
Cultural and recreational:			
Explorer day camp	48,000	74,855	26,855
Adventurer day camp	41,900	75,316	33,416
Teen day camp	21,900	12,756	(9,144)
Youth soccer	6,000	5,887	(113)
Youth basketball	5,000	8,092	3,092
Field use	5,500	10,267	4,767
Spring/summer programs	41,000	104,622	63,622
Fall programs	500	13,820	13,320
Winter programs	10,000	4,000	(6,000)
Ski program	21,000	21,704	704
Senior center programs	3,500	3,854	354
After school program	<u>5,000</u>	<u>4,360</u>	<u>(640)</u>
Total cultural and recreational	<u>209,300</u>	<u>339,533</u>	<u>130,233</u>
Fire and rescue:			
Ambulance fees	<u>315,450</u>	<u>296,295</u>	<u>(19,155)</u>
Total fire and rescue	<u>315,450</u>	<u>296,295</u>	<u>(19,155)</u>
Total charges for services	<u>567,590</u>	<u>790,538</u>	<u>222,948</u>
Other revenues:			
Miscellaneous	1,100	11,734	10,634
Rental of town buildings	4,000	4,875	875
Reimbursement for town services	<u>26,400</u>	<u>26,400</u>	<u>-</u>
Total other revenues	<u>31,500</u>	<u>43,009</u>	<u>11,509</u>
Total revenues	<u>8,921,100</u>	<u>9,336,133</u>	<u>415,033</u>

**EXPENDITURES**

General government:  
General administration:  
Selectboard:

(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, 2016**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Salaries and benefits	5,980	5,991	(11)
Discretionary fund	7,000	5,640	1,360
Other expenses	9,000	4,176	4,824
Total selectboard	<u>21,980</u>	<u>15,807</u>	<u>6,173</u>
Town manager:			
Salary	74,130	76,357	(2,227)
Office staff salary	26,330	21,029	5,301
Salary discretionary	24,840	10,340	14,500
Sick and vacation pay	10,000	-	10,000
Benefits	27,040	30,808	(3,768)
Mileage	600	558	42
Training and conferences	3,800	3,283	517
Property and casualty insurance	4,480	4,565	(85)
Town report	1,650	1,552	98
Building maintenance	12,680	13,418	(738)
Office supplies	3,000	2,500	500
Telephone and postage	2,600	2,174	426
New equipment purchase	-	32,901	(32,901)
Other expenses	3,000	1,713	1,287
Total town manager	<u>194,150</u>	<u>201,198</u>	<u>(7,048)</u>
Finance:			
Wages	72,700	69,748	2,952
Benefits	29,410	31,471	(2,061)
Audit fees	16,500	15,022	1,478
Total finance	<u>118,610</u>	<u>116,241</u>	<u>2,369</u>
Board of listers:			
Salaries	1,100	3,845	(2,745)
Assistant assessor	28,100	29,303	(1,203)
Clerical salary	15,000	14,796	204
Benefits	4,000	4,066	(66)
Mileage	200	-	200
Professional services	1,000	-	1,000
Contracted assessor	18,500	18,200	300
Service contracts	4,500	3,845	655
Office supplies	1,000	551	449
Office equipment	1,500	399	1,101
Telephone and postage	350	41	309
Tax maps	2,900	-	2,900
Total board of listers	<u>78,150</u>	<u>75,046</u>	<u>3,104</u>
Technology:			
Computer equipment	3,500	2,499	1,001

(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, 2016

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Computer applications	18,000	8,836	9,164
Total technology	<u>21,500</u>	<u>11,335</u>	<u>10,165</u>
Legal:			
Legal services	35,000	25,394	9,606
Total legal	<u>35,000</u>	<u>25,394</u>	<u>9,606</u>
Total general administration	<u>469,390</u>	<u>445,021</u>	<u>24,369</u>
Planning and zoning:			
Planning and zoning:			
Department salary	209,160	215,715	(6,555)
Benefits	90,570	83,478	7,092
Building maintenance	19,590	11,233	8,357
Mileage	600	640	(40)
Training and conferences	2,400	1,033	1,367
Subscriptions and dues	1,200	1,281	(81)
Professional services	4,000	102	3,898
Miscellaneous planning studies	5,000	1,955	3,045
Property and casualty insurance	2,990	3,361	(371)
Advertising	3,500	4,599	(1,099)
Office supplies	4,000	4,587	(587)
Equipment	1,000	1,464	(464)
Printing	3,000	2,679	321
Telephone and postage	1,800	1,926	(126)
GIS data management	3,700	3,938	(238)
Total planning and zoning	<u>352,510</u>	<u>337,991</u>	<u>14,519</u>
Conservation:			
Salary	30,950	14,793	16,157
Benefits	18,190	5,318	12,872
Mileage	800	465	335
Training, conferences, dues	1,000	676	324
Office supplies, mailing, ads	400	446	(46)
Match for grants	1,000	1,000	-
Intern	6,000	3,145	2,855
Trail maintenance and repair	6,000	6,694	(694)
Total conservation	<u>64,340</u>	<u>32,537</u>	<u>31,803</u>
Total planning and zoning	<u>416,850</u>	<u>370,528</u>	<u>46,322</u>
Town Clerk/Treasurer:			
Records, permits, licenses and cash management:			
Salary	51,260	50,421	839
Office staff	91,790	92,816	(1,026)

(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, 2016**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Benefits	59,710	55,587	4,123
Mileage	600	199	401
Training and conferences	2,900	1,649	1,251
Equipment rental and service contracts	4,500	3,499	1,001
Property and casualty insurance	4,480	4,565	(85)
Building maintenance	14,680	13,418	1,262
Office supplies	10,000	8,661	1,339
Office equipment	1,500	-	1,500
Telephone and postage	6,500	6,970	(470)
Total records, permits, licenses and cash management	<u>247,920</u>	<u>237,785</u>	<u>10,135</u>
 Elections:			
Town meeting salary	1,000	2,070	(1,070)
Ballot printing	2,000	2,506	(506)
Postage	700	205	495
General election expenses	-	103	(103)
Town meeting expenses	650	314	336
Total elections	<u>4,350</u>	<u>5,198</u>	<u>(848)</u>
 Total town clerk/treasurer	 <u>252,270</u>	 <u>242,983</u>	 <u>9,287</u>
 Outside services:			
Regional services:			
Chittenden County Regional Planning	21,910	21,907	3
Winooski Valley Park District	32,000	32,000	-
Greater Burlington Industrial Corporation	2,000	2,000	-
County tax	79,990	82,388	(2,398)
Vermont League of Cities and Towns	10,280	10,282	(2)
Lake Iroquois Association	5,000	5,000	-
Total regional services	<u>151,180</u>	<u>153,577</u>	<u>(2,397)</u>
 Transportation services:			
Bus service	175,190	175,210	(20)
SSTA project and CCTA ADA	40,810	36,114	4,696
Total transportation services	<u>216,000</u>	<u>211,324</u>	<u>4,676</u>
 Social services:			
Social service organizations	26,270	26,270	-
Residents assistance	1,100	1,012	88
Total social services	<u>27,370</u>	<u>27,282</u>	<u>88</u>
 Health:			
Department salary and mileage	600	600	-
Visiting Nurse Association	29,000	29,000	-

(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, 2016

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Employee health and safety programs	600	41	559
Total health	30,200	29,641	559
Total outside services	424,750	421,824	2,926
Total general government	1,563,260	1,480,356	82,904
Public safety:			
Police department:			
Police patrol services:			
Patrol salary	733,160	639,090	94,070
Overtime	109,500	143,308	(33,808)
Part-time officers' salaries	15,000	-	15,000
Benefits	327,360	304,179	23,181
Vehicle expense	20,000	13,303	6,697
Vehicle fuel	56,000	30,199	25,801
Mileage	400	312	88
Training and conferences	15,000	14,794	206
Equipment and uniforms	20,000	18,442	1,558
Total police patrol services	1,296,420	1,163,627	132,793
Police investigation services:			
Investigative salary	107,400	53,891	53,509
Overtime	10,000	6,126	3,874
Benefits	63,340	38,133	25,207
Investigation expenses	5,000	1,464	3,536
Chittenden unit for special investigations	23,000	13,399	9,601
Total police investigation services	208,740	113,013	95,727
Police communications:			
Dispatch salary	113,670	109,084	4,586
Benefits	42,500	33,999	8,501
Computer, communications	33,720	29,789	3,931
Radio repair	2,000	1,610	390
Total police communications	191,890	174,482	17,408
Police administration:			
Administration salary	184,630	179,761	4,869
Benefits	66,270	50,938	15,332
Office supplies	14,500	10,357	4,143
Telephone and postage	11,500	10,941	559
Total police administration	276,900	251,997	24,903
Police special programs:			
Public service programs	1,000	628	372

(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, 2016

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Dog control and damage	2,500	2,279	221
Awards program	750	883	(133)
Total police special programs	4,250	3,790	460
Police building maintenance:			
Office cleaning	14,200	13,262	938
Outside maintenance	19,000	20,705	(1,705)
Property and casualty insurance	55,670	60,551	(4,881)
Heating fuel	6,000	3,654	2,346
Utilities	17,630	15,035	2,595
Total police building maintenance	112,500	113,207	(707)
Total police department	2,090,700	1,820,116	270,584
Fire and rescue department:			
Fire and rescue administration:			
Administration salary	123,860	126,198	(2,338)
Benefits	71,770	64,552	7,218
Subscriptions and dues	1,100	1,168	(68)
Office supplies	15,120	14,031	1,089
Office equipment	8,300	10,464	(2,164)
Telephone and postage	9,900	9,578	322
Personnel physicals	4,500	4,663	(163)
Personnel recognition	1,500	1,950	(450)
Total fire and rescue administration	236,050	232,604	3,446
Wages and benefits, fire:			
Career firefighter wages	284,740	293,438	(8,698)
Benefits, career	141,060	138,265	2,795
On call firefighter wages	114,000	72,348	41,652
Benefits, on call	18,460	19,566	(1,106)
Total wages and benefits, fire	558,260	523,617	34,643
Wages and benefits, rescue:			
Career rescue wages	284,740	293,438	(8,698)
Benefits, career	141,060	138,265	2,795
On call rescue wages	90,300	76,859	13,441
Benefits, on call	14,620	16,051	(1,431)
Total wages and benefits, rescue	530,720	524,613	6,107
Fire and rescue maintenance:			
Vehicle fuel	32,530	14,707	17,823
Equipment maintenance	46,750	67,146	(20,396)
Firefighting equipment	41,660	46,929	(5,269)
Rescue equipment	16,400	15,412	988

(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, 2016

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Total fire and rescue maintenance	137,340	144,194	(6,854)
Operations:			
Training and conferences, fire	6,000	7,876	(1,876)
Training and conferences, rescue	8,200	10,201	(2,001)
Communications	6,600	5,094	1,506
Dispatch	50,560	50,048	512
Fire prevention	2,500	2,078	422
Ambulance billing fees	19,100	22,828	(3,728)
Rescue medical supplies	16,500	18,144	(1,644)
Total operations	109,460	116,269	(6,809)
Facilities:			
Heating fuel	13,370	11,427	1,943
Utilities	18,820	16,162	2,658
Property and casualty insurance	31,000	29,882	1,118
Station maintenance	22,100	29,030	(6,930)
Total facilities	85,290	86,501	(1,211)
Total fire and rescue department	1,657,120	1,627,798	29,322
Emergency preparedness:			
Training	2,100	-	2,100
Supplies and operation	2,000	1,548	452
Total emergency preparedness	4,100	1,548	2,552
Total Public safety	3,751,920	3,449,462	302,458
Public works:			
Summer maintenance:			
Summer maintenance salary	141,670	128,793	12,877
Benefits	65,790	58,896	6,894
Uniforms	4,760	4,226	534
Consulting engineers	2,500	575	1,925
Garage operation	7,530	8,528	(998)
Property and casualty insurance	8,170	13,121	(4,951)
Gravel and other materials	4,500	270	4,230
Chloride	10,880	-	10,880
Maintenance	40,000	6,482	33,518
Line striping	26,000	22,379	3,621
New construction	2,000	-	2,000
Equipment operation and repair	4,820	4,193	627
Vehicle fuel	10,270	3,857	6,413
Retreatment	430,000	413,649	16,351
Sidewalks	4,500	795	3,705

(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, 2016

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Miscellaneous and tools	2,850	3,360	(510)
Street signs	5,500	10,668	(5,168)
Landscaping	18,500	28,504	(10,004)
Highway capital expense - highway replacement truck	24,300	2,317	21,983
Total summer maintenance	<u>814,540</u>	<u>710,613</u>	<u>103,927</u>
Winter maintenance:			
Winter maintenance salary	135,770	126,112	9,658
Overtime	42,700	21,001	21,699
Benefits	73,270	64,090	9,180
Uniforms	4,760	4,226	534
Training and conferences	3,000	986	2,014
Equipment rental	68,760	28,050	40,710
Garage operations	7,530	8,528	(998)
Property and casualty insurance	8,170	11,509	(3,339)
Patch	3,000	2,105	895
Salt	130,000	110,586	19,414
Sand	11,470	3,062	8,408
Equipment operation and repair	15,000	13,050	1,950
Vehicle fuel	30,800	11,569	19,231
Miscellaneous and tools	2,930	3,455	(525)
Total winter maintenance	<u>537,160</u>	<u>408,329</u>	<u>128,831</u>
Highway general:			
Salaries, administration	72,420	70,372	2,048
Discretionary wages	10,190	1,160	9,030
Benefits	34,900	28,781	6,119
Admin. office maintenance	22,580	15,158	7,422
Street lights	42,010	41,236	774
New equipment purchase	2,000	2,000	-
Stormwater fees for roads	129,530	132,193	(2,663)
Emergency expenses	-	32,405	(32,405)
Total highway general	<u>313,630</u>	<u>323,305</u>	<u>(9,675)</u>
Buildings and grounds:			
Clock winding	600	600	-
<i>Old Brick Church:</i>			
Janitor wages	2,940	2,134	806
Benefits	420	420	-
Property and casualty insurance	4,240	3,680	560
Heating fuel, brick church	2,000	1,233	767
Utilities, brick church	1,420	1,786	(366)
Maintenance, brick church	8,540	4,746	3,794
Total buildings and grounds	<u>20,160</u>	<u>14,599</u>	<u>5,561</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, 2016

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Total public works	<u>1,685,490</u>	<u>1,456,846</u>	<u>228,644</u>
Parks and recreation:			
Recreational services:			
Administrative salaries	54,230	61,850	(7,620)
Day camp wages	92,040	98,052	(6,012)
Program wages, seasonal	4,500	4,040	460
Benefits	30,570	35,117	(4,547)
Training and conferences	2,500	2,266	234
Property and casualty insurance	2,220	2,453	(233)
Office supplies	11,000	8,662	2,338
Telephone and postage	1,400	1,072	328
Day camp supplies	29,000	42,132	(13,132)
Contracted camp expense	44,000	92,641	(48,641)
Youth program supplies	24,300	21,813	2,487
Adult/senior program expenses	8,180	10,450	(2,270)
Contracted program expenses	15,500	20,259	(4,759)
Program grants	13,280	10,640	2,640
Special events	12,250	11,808	442
School use fees	<u>124,960</u>	<u>124,960</u>	<u>-</u>
Total recreational services	<u>469,930</u>	<u>548,215</u>	<u>(78,285)</u>
Park maintenance:			
Maintenance salary	8,990	6,815	2,175
Park administrator salary	12,440	12,566	(126)
Benefits	3,430	3,437	(7)
Equipment rental	3,200	1,798	1,402
Utilities	3,500	1,738	1,762
Other and new equipment	2,000	18,185	(16,185)
Maintenance and upgrades	<u>32,500</u>	<u>29,155</u>	<u>3,345</u>
Total park maintenance	<u>66,060</u>	<u>73,694</u>	<u>(7,634)</u>
Open space preservation:			
Tax stabilization	<u>10,000</u>	<u>10,270</u>	<u>(270)</u>
Total parks and recreation	<u>545,990</u>	<u>632,179</u>	<u>(86,189)</u>
Library:			
Library collections:			
Department salary	266,210	271,758	(5,548)
Benefits	59,690	61,439	(1,749)
Training and conferences	2,100	1,621	479
Travel and fees	2,000	1,852	148
Books	68,600	68,390	210
Bookmobile	3,200	3,260	(60)

(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, 2016**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Office supplies	7,800	8,000	(200)
Telephone	1,200	910	290
Postage	3,600	2,491	1,109
Library capital expense - bookmobile	20,000	20,000	-
Total library collections	<u>434,400</u>	<u>439,721</u>	<u>(5,321)</u>
Building overhead:			
Janitorial services	9,300	8,956	344
Town custodial services	5,720	4,831	889
Heating fuel	5,310	3,310	2,000
Utilities	8,350	7,010	1,340
Maintenance and repairs	13,520	12,900	620
Land rental	29,750	29,750	-
Property and casualty insurance	12,000	11,242	758
Total building overhead	<u>83,950</u>	<u>77,999</u>	<u>5,951</u>
Special programs:			
Program wages	45,640	44,736	904
Benefits	14,890	14,520	370
Program presenters and materials	12,000	11,396	604
Total special programs	<u>72,530</u>	<u>70,652</u>	<u>1,878</u>
Computer/reference services:			
Wages	25,630	27,530	(1,900)
Benefits	13,960	14,040	(80)
System and equipment maintenance	15,140	15,021	119
Total computer/reference services	<u>54,730</u>	<u>56,591</u>	<u>(1,861)</u>
Total library	<u>645,610</u>	<u>644,963</u>	<u>647</u>
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	32,540	32,537	3
Ambulance lease, 2014	27,730	27,727	3
Public works facility	240,000	240,000	-
Total principal	<u>775,270</u>	<u>775,264</u>	<u>6</u>
Interest:			
Library roof bond	3,470	3,471	(1)
Public safety bond	152,450	152,241	209
Sidewalk bond	21,010	21,006	4

(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, 2016

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Fire engine, 2009	7,300	7,302	(2)
Ambulance lease, 2010	2,690	2,689	1
Ambulance, 2014	3,950	3,951	(1)
Public works bond	61,940	157,270	(95,330)
Total interest	252,810	347,930	(95,120)
Total debt service	1,028,080	1,123,194	(95,114)
Total expenditures	9,220,350	8,787,000	433,350
Excess (deficiency) of revenues over expenditures	(299,250)	549,133	848,383
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In/(Out)			
Cemetery reserve fund	(28,000)	(28,000)	-
Environmental reserve fund	(140,000)	(140,000)	-
Transfer of assets to stormwater fund	-	(157,291)	(157,291)
Total other financing sources (uses)	(168,000)	(325,291)	(157,291)
Net change in fund balance, before use of surplus	(467,250)	223,842	691,092
Use of Surplus	467,250	-	(467,250)
Net change in fund balance	\$ -	\$ 223,842	\$ 223,842



**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2016**

	Water Fund	Meadowridge Sewer Fund	Sewer Fund	Other Proprietary Fund - Stormwater Fund	Total
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 840,196	\$ 21,063	\$ 2,950,972	\$ 474,767	\$ 4,286,998
Receivables, net of allowance for uncollectibles	167,576	-	272,448	17,578	457,602
Loans receivable - Current portion	-	24,153	1,854	-	26,007
Prepaid expenses	-	-	46,677	-	46,677
Due from other funds	43,803	12,235	100,910	-	156,948
Total current assets	<u>1,051,575</u>	<u>57,451</u>	<u>3,372,861</u>	<u>492,345</u>	<u>4,974,232</u>
Non-current assets:					
Loans receivable - Noncurrent portion	-	364,706	103,850	-	468,556
Prepaid capacity rights, net of amortization	-	-	1,992,594	-	1,992,594
Land	383,099	-	-	-	383,099
Construction in process	5,390	-	33,026	-	38,416
Equipment and vehicles	131,315	-	741,285	-	872,600
Infrastructure	-	-	-	154,527	154,527
Distribution lines	12,359,650	500,745	13,518,965	-	26,379,360
Less accumulated depreciation	<u>(4,845,389)</u>	<u>(45,955)</u>	<u>(4,089,681)</u>	<u>(4,844)</u>	<u>(8,985,869)</u>
Total non-current assets	<u>8,034,065</u>	<u>819,496</u>	<u>12,300,039</u>	<u>149,683</u>	<u>21,303,283</u>
Total assets	<u>9,085,640</u>	<u>876,947</u>	<u>15,672,900</u>	<u>642,028</u>	<u>26,277,515</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows of resources - Pension	<u>27,590</u>	<u>-</u>	<u>27,590</u>	<u>30,360</u>	<u>85,540</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accrued interest	716	1,777	18,066	-	20,559
Due to other funds	-	-	7,468	41,198	48,666
Due to other governments	-	123	-	-	123
Long term debt, current	40,000	17,759	50,610	-	108,369
Total current liabilities	<u>40,716</u>	<u>19,659</u>	<u>76,144</u>	<u>41,198</u>	<u>177,717</u>
Non-current liabilities:					
Long term debt, noncurrent	240,000	337,628	1,082,915	-	1,660,543
Net pension liability	41,529	-	41,529	45,689	128,747
Accrued compensated absences	2,023	-	2,023	1,891	5,937
Total non-current liabilities	<u>283,552</u>	<u>337,628</u>	<u>1,126,467</u>	<u>47,580</u>	<u>1,795,227</u>
Total liabilities	<u>324,268</u>	<u>357,287</u>	<u>1,202,611</u>	<u>88,778</u>	<u>1,972,944</u>
<b>NET POSITION</b>					
Net investment in capital assets	7,754,065	99,403	9,070,070	149,683	17,073,221
Restricted	-	-	1,992,594	-	1,992,594
Unrestricted	1,034,897	420,257	3,435,215	433,927	5,324,296
Total net position	<u>\$ 8,788,962</u>	<u>\$ 519,660</u>	<u>\$ 14,497,879</u>	<u>\$ 583,610</u>	<u>\$ 24,390,111</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, 2016**

	Water Fund	Meadowridge Sewer Fund	Sewer Fund	Other Proprietary Fund - Stormwater Fund	Total
<b>OPERATING REVENUES</b>					
User fees	\$ 982,963	\$ -	\$ 1,325,812	\$ -	\$ 2,308,775
Sale of meters	18,329	-	-	-	18,329
Charges for services	-	-	-	691,364	691,364
Intergovernmental revenue	-	-	77,027	34,151	111,178
Miscellaneous	20,601	362	19,710	10,170	50,843
Total operating revenues	<u>1,021,893</u>	<u>362</u>	<u>1,422,549</u>	<u>735,685</u>	<u>3,180,489</u>
<b>OPERATING EXPENSES</b>					
Wages and benefits	216,157	-	215,755	252,230	684,142
Repairs and supplies	38,630	-	101,107	45,174	184,911
Building and equipment	10,538	-	10,658	97	21,293
Insurance	6,603	-	11,045	7,144	24,792
Purchased water	473,402	-	-	-	473,402
Sewer treatment	-	-	599,293	-	599,293
Purchase of meters	31,148	-	-	-	31,148
Plant repairs	-	-	33,942	-	33,942
Depreciation	211,943	10,212	256,870	4,039	483,064
Amortization of capacity rights	-	-	58,269	-	58,269
Public works rental expense	31,810	-	31,810	31,810	95,430
State fees	-	-	-	22,915	22,915
Other expenses	31,517	-	30,170	27,492	89,179
Total operating expenses	<u>1,051,748</u>	<u>10,212</u>	<u>1,348,919</u>	<u>390,901</u>	<u>2,801,780</u>
Operating income (loss)	<u>(29,855)</u>	<u>(9,850)</u>	<u>73,630</u>	<u>344,784</u>	<u>378,709</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Investment income	2,122	30	9,056	334	11,542
Write off of loan receivable	-	-	(1,246)	-	(1,246)
Loan interest expense	(5,054)	(7,369)	(21,703)	-	(34,126)
Hook on fees and allocation charges	43,551	-	201,233	-	244,784
Gain on sale of assets	6,250	-	5,530	-	11,780
Transfers in	-	-	-	238,492	238,492
Total non-operating revenues (expenses)	<u>46,869</u>	<u>(7,339)</u>	<u>192,870</u>	<u>238,826</u>	<u>471,226</u>
Change in net position	17,014	(17,189)	266,500	583,610	849,935
Net position - July 1, 2015	<u>8,771,948</u>	<u>536,849</u>	<u>14,231,379</u>	<u>-</u>	<u>23,540,176</u>
Net position - June 30, 2016	<u>\$ 8,788,962</u>	<u>\$ 519,660</u>	<u>\$ 14,497,879</u>	<u>\$ 583,610</u>	<u>\$ 24,390,111</u>

See accompanying notes.

TOWN OF WILLISTON, VERMONT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2016

	Water Fund	Meadowridge Sewer Fund	Sewer Fund	Other Proprietary Fund - Stormwater Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Receipts from customers and users	\$ 1,021,948	\$ 362	\$ 1,436,725	\$ 776,901	\$ 3,235,936
Payments for public works rental	(31,810)	-	(31,810)	(31,810)	(95,430)
Payments to suppliers	(591,838)	-	(832,892)	(102,822)	(1,527,552)
Payments for wages and benefits	(213,440)	-	(213,038)	(244,996)	(671,474)
Net cash provided by operating activities	<u>184,860</u>	<u>362</u>	<u>358,985</u>	<u>397,273</u>	<u>941,480</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Payments received from other funds	-	-	86,236	139,695	225,931
Payments received from other governments	-	123	-	-	123
Advances to other funds	(10,843)	(5,846)	-	-	(16,689)
Net cash provided (used) by noncapital financing activities	<u>(10,843)</u>	<u>(5,723)</u>	<u>86,236</u>	<u>139,695</u>	<u>209,365</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Acquisition of capital assets	(20,464)	-	(121,231)	(62,535)	(204,230)
Proceeds from sale of capital assets	6,250	-	6,250	-	12,500
Acquisition of capacity rights	-	-	(100,000)	-	(100,000)
Payments on long term debt	(40,000)	(17,410)	(42,740)	-	(100,150)
Interest paid on long term debt	(4,958)	(7,456)	(20,115)	-	(32,529)
Hook on fees and allocation charges received	43,551	-	201,233	-	244,784
Net cash used by capital and related financing activities	<u>(15,621)</u>	<u>(24,866)</u>	<u>(76,603)</u>	<u>(62,535)</u>	<u>(179,625)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Receipt of loan receivable principal	-	36,478	-	-	36,478
Receipt of investment income	2,122	30	9,056	334	11,542
Net cash provided by investing activities	<u>2,122</u>	<u>36,508</u>	<u>9,056</u>	<u>334</u>	<u>48,020</u>
Net increase in cash and cash equivalents	160,518	6,281	377,674	474,767	1,019,240
Cash and cash equivalents at beginning of year	<u>679,678</u>	<u>14,782</u>	<u>2,573,298</u>	<u>-</u>	<u>3,267,758</u>
Cash and cash equivalents at end of year	<u>\$ 840,196</u>	<u>\$ 21,063</u>	<u>\$ 2,950,972</u>	<u>\$ 474,767</u>	<u>\$ 4,286,998</u>

TOWN OF WILLISTON, VERMONT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2016

	Water Fund	Meadowridge Sewer Fund	Sewer Fund	Other Proprietary Fund - Stormwater Fund	Total
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:</b>					
Operating loss	\$ (29,855)	\$ (9,850)	\$ 73,630	\$ 344,784	\$ 378,709
Adjustments to reconcile operating loss to net cash provided by operating activities:					
Depreciation	211,943	10,212	256,870	4,039	483,064
Amortization of capacity rights	-	-	58,269	-	58,269
Proportionate share of pension plan expense	11,370	-	11,370	12,505	35,245
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	528	-	528	581	1,637
Current year pension expense recognized	(8,903)	-	(8,903)	(7,743)	(25,549)
<b>(INCREASE) DECREASE IN:</b>					
Accounts receivable	55	-	14,176	41,216	55,447
Prepaid expenses	-	-	(46,677)	-	(46,677)
<b>(DECREASE) INCREASE IN:</b>					
Accrued compensated absences	(278)	-	(278)	1,891	1,335
Net cash provided by operating activities	<u>\$ 184,860</u>	<u>\$ 362</u>	<u>\$ 358,985</u>	<u>\$ 397,273</u>	<u>\$ 941,480</u>
<b>NONCASH CAPITAL FINANCING ACTIVITIES</b>					
Write off of loan receivable	\$ -	\$ -	\$ 1,246	\$ -	\$ 1,246
Transfer of assets from general fund	\$ -	\$ -	\$ -	\$ 238,492	\$ 238,492

**TOWN OF WILLISTON, VERMONT**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**June 30, 2016**

	<b>Agency Funds</b>
<b>ASSETS</b>	
Cash	\$ 87,184
Due from other funds	<u>15,258</u>
Total assets	<u><u>\$ 102,442</u></u>
<b>LIABILITIES</b>	
Due to other governments	\$ 3,590
Deposits payable	<u>98,852</u>
Total liabilities	<u><u>\$ 102,442</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, stormwater, 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 and recreation, library cemetery, housing development, public works, and general administrative services are classified as governmental activities. The Town's water, stormwater, 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 Town may electively add funds, as major funds, which either have debt outstanding or specific community focus. 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.
- Grant Fund is used to account for grant and loan programs throughout the Town.

#### **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 are 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, both restricted and unrestricted net position are 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 eligible. 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 Grant 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.

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

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

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. Deferred Outflows/Inflows of Resources**

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 current year pension contributions subsequent to the measurement date, (2) the change in the Town's proportionate share of pension contributions, (3) the Town's proportionate share of the difference between projected and actual investment earnings, (4) the Town's proportionate share of change in the net pension liability due to changes in assumptions, and (5) the Town's proportionate share of differences between expected and actual experience.

The Town reports deferred inflows of resources on its statement of net position. Deferred inflows of resources represent 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. The Town of Williston reports deferred inflows of resources for taxes and fees collected in advance.

**R. Defined Benefit Pension Plan**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense 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).

**S. Budgeted Deficit**

The Town budgeted a current year deficit of \$467,250 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 30.

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

**T. Implementation of New Accounting Principles**

The Town is reviewing the following GASB Statements, which are effective in future years, for possible implementation.

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*

GASB Statement No. 77, *Tax Abatement Disclosures*

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Plans*

GASB Statement No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*

GASB Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*

**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	233,933
Held in trust	12,077
Uninsured - Collateralized	<u>9,727,630</u>
Total	<u>\$ 10,723,640</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, 2016, as reported in the Statement of Net Position, are as follows:

	Governmental Activities	Business-Type Activities	Total
Delinquent taxes	\$ 259,059	\$ -	\$ 259,059
Penalties and interest	32,353	-	32,353
Sales and rooms tax	760,241	-	760,241
Accounts receivable	157,728	-	157,728
Grants	753,905	-	753,905
Billed services	47,074	457,602	504,676
	<u>\$ 2,010,360</u>	<u>\$ 457,602</u>	<u>\$ 2,467,962</u>

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, 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, 55 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>388,859</u>
Total business-type activities	494,563
Less: current portion	<u>26,007</u>
Long-term portion	<u>\$ 468,556</u>

## Note 5. Prepaid Capacity Rights

The Town has paid the Village of Essex Junction, Vermont \$2,780,140 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, 2016, was as follows:

Prepaid capacity rights, net of \$729,277		
accumulated amortization, July 1, 2015	\$	1,950,863
Plus: additional capacity rights purchased		100,000
Less: current year amortization of capacity rights		<u>(58,269)</u>

Prepaid capacity rights, net of \$787,546		
accumulated amortization, June 30, 2016	\$	<u>1,992,594</u>

## Note 6. Capital Assets

Capital assets activity for the year ended June 30, 2016 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital assets, not being depreciated:				
Land	\$ 3,351,688	\$ 70,000	\$ -	\$ 3,421,688
Construction in progress	175,594	42,640	84,996	133,238
Total capital assets, not being depreciated	<u>3,527,282</u>	<u>112,640</u>	<u>84,996</u>	<u>3,554,926</u>
Capital assets, being depreciated:				
Buildings and building improvements	14,085,635	59,218	-	14,144,853
Vehicles and equipment	5,859,140	774,240	408,415	6,224,965
Infrastructure	17,896,521	1,763,098	89,899	19,569,720
Totals	<u>37,841,296</u>	<u>2,596,556</u>	<u>498,314</u>	<u>39,939,538</u>
Less accumulated depreciation for:				
Buildings and building improvements	2,237,404	286,953	-	2,524,357
Vehicles and equipment	2,769,605	493,347	342,816	2,920,136
Infrastructure	5,253,893	827,420	805	6,080,508
Totals	<u>10,260,902</u>	<u>1,607,720</u>	<u>343,621</u>	<u>11,525,001</u>
Total capital assets, being depreciated	<u>27,580,394</u>	<u>988,836</u>	<u>154,693</u>	<u>28,414,537</u>
Governmental activities capital assets, net	<u>\$ 31,107,676</u>	<u>\$ 1,101,476</u>	<u>\$ 239,689</u>	<u>\$ 31,969,463</u>

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

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General government	\$ 36,364
Public works	1,071,991
Public safety	431,772
Conservation	4,240
Culture and recreation	30,340
Library	33,013
Total	<u>\$ 1,607,720</u>

Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Total capital assets, not being depreciated:				
Land	\$ 383,099	\$ -	\$ -	\$ 383,099
Construction in progress	7,799	36,966	6,349	38,416
Total capital assets, not being depreciated	<u>390,898</u>	<u>36,966</u>	<u>6,349</u>	<u>421,515</u>
Capital assets, being depreciated:				
Equipment and vehicles	784,586	111,078	23,064	872,600
Infrastructure	-	154,527	-	154,527
Distribution lines	26,379,360	-	-	26,379,360
Total capital assets, being depreciated	<u>27,163,946</u>	<u>265,605</u>	<u>23,064</u>	<u>27,406,487</u>
Less accumulated depreciation for:				
Equipment and vehicles	339,606	49,947	22,345	367,208
Infrastructure	-	4,844	-	4,844
Distribution lines	8,184,738	429,079	-	8,613,817
Totals	<u>8,524,344</u>	<u>483,870</u>	<u>22,345</u>	<u>8,985,869</u>
Total capital assets, being depreciated	<u>18,639,602</u>	<u>(218,265)</u>	<u>719</u>	<u>18,420,618</u>
Business-type activities capital assets, net	<u>\$ 19,030,500</u>	<u>\$ (181,299)</u>	<u>\$ 7,068</u>	<u>\$ 18,842,133</u>

Depreciation expense for business-type activities was \$483,064 for the year ended June 30, 2016.

During the year, the Town transferred capital assets with a cost of \$89,899 and accumulated depreciation of \$805 from the General Fund to the Stormwater Fund.

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

Interfund transfers for the year ended June 30, 2016, were as follows:

Transfer From	Amount	Transfers To	Amount	Purpose
General fund	\$ 140,000	Conservation fund	\$ 140,000	Town appropriation
General fund	28,000	Cemetery fund	28,000	Town appropriation
Host town fund	260,990	Equipment replacement fund	260,990	Annual Subsidy
Total (Gov't funds)	<u>\$ 428,990</u>		<u>\$ 428,990</u>	
General Fund (government wide)	<u>\$ 238,492</u>	Stormwater fund	<u>\$ 238,492</u>	Beginning fund balance for proprietary fund



**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, 2016 are as follows:

Due to/from other funds:	<u>Receivable Fund</u>	<u>Payable Fund</u>
Major Governmental funds-		
General fund	\$ -	\$ 269,585
Grant fund	-	471,039
Other governmental funds-		
Landfill/host town fund	-	92,411
Cemetery fund	5,027	-
Cemetery permanent fund	-	22,271
Sidewalk project fund	98,777	-
Public works building	658,028	-
Reappraisal fund	-	31,691
Records restoration fund	1,074	-
Champlain Housing grant fund	-	656
Equipment replacement fund	-	16,590
Bridge fund	-	11,977
Recreation fund	-	1,322
Road improvement Taft Corners fund	35,457	-
Road improvement fund	-	4,361
Total other governmental funds	<u>798,363</u>	<u>181,279</u>
Total governmental funds	<u>798,363</u>	<u>921,903</u>
Proprietary funds-		
Water fund	43,803	-
Meadowridge sewer fund	12,235	-
Sewer fund	100,910	7,468
Other proprietary fund - Stormwater fund	-	41,198
Total proprietary funds	<u>156,948</u>	<u>48,666</u>
Agency funds	<u>15,258</u>	<u>-</u>
Total due to/from other funds	<u>\$ 970,569</u>	<u>\$ 970,569</u>

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

*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 \$193,335 for June 30, 2016. 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 \$151,438 at June 30, 2016.

Deferred outflows/inflows of resources and unearned revenue consisted of the following at June 30, 2016:

	Governmental Activities	Proprietary Funds	Governmental Funds
<b>Deferred Outflows of Resources</b>			
Pension	\$ 554,331	\$ 85,540	\$ -
Total deferred outflows of resources	<u>\$ 554,331</u>	<u>\$ 85,540</u>	<u>\$ -</u>
<b>Liabilities</b>			
<b>Unearned revenue</b>			
Community development fund	\$ -	\$ -	\$ 770,900
Grant fund	78,035	-	78,035
Non-major funds	2,534	-	2,534
Total unearned revenue	<u>\$ 80,569</u>	<u>\$ -</u>	<u>\$ 851,469</u>
<b>Deferred Inflows of Resources</b>			
<b>Taxes and fees collected in advance</b>			
Taxes collected in advance	\$ 23,580	\$ -	\$ 23,580
Prepaid water and sewer fees	7,423	-	7,423
Recreation fees collected in advance	117,928	-	117,928
Other	2,507	-	2,507
Total taxes and fees collected in advance	<u>151,438</u>	<u>-</u>	<u>151,438</u>
Unavailable revenue - Taxes	<u>-</u>	<u>-</u>	<u>193,335</u>
Total deferred inflows of resources	<u>\$ 151,438</u>	<u>\$ -</u>	<u>\$ 344,773</u>

**Note 9. Long-term Liabilities**

Long-term liabilities outstanding as of June 30, 2016 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.	\$ 140,000	\$ 20,000
Public safety bond payable, Vermont Municipal Bond Bank, Series 2014-2 principal to currently refund Series 2005 S1, annual principal payments of \$165,000 on November 15 through 2025, various interest rates ranging from 3.0% to 4.58%, interest paid semi-annually at May 15 and November 15. As a result of the refunding, the Town reduced its total debt service payments from November 15, 2015 through November 15, 2025 by \$95,533 and obtained an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$86,279.	1,650,000	165,000
Highway improvements (sidewalks) bond payable, Vermont Municipal Bond Bank, Series 2014-2 principal to currently refund Series 2005 S1, annual principal payments of \$80,000 on November 15 through 2025, various interest rates ranging from 3.0% to 4.58%, interest paid semi-annually at May 15 and November 15. As a result of the refunding, the Town reduced its total debt service payments from November 15, 2016 through November 15, 2025 by \$46,319 and obtained an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$41,832.	800,000	80,000
Public safety bond payable, Vermont Municipal Bond Bank, Series 2014-4 principal to currently refund Series 2006 S1, annual principal payments of \$70,000 on November 15 through 2026, various interest rates ranging from 3.835% to 4.665%, interest paid semi-annually at May 15 and November 15. As a result of the refunding, the Town reduced its total debt service payments from November 15, 2014 through November 15, 2026 by \$38,846 and obtained an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$31,123.	720,000	70,000

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

	<u>Total</u>	<u>Due within one year</u>
<p>Public safety bond payable, Vermont Municipal Bond Bank, Series 2015 S1 principal to currently refund Series 2007 S1, annual principal payments of \$90,000 on November 1 through 2027, various interest rates ranging from 3.865% to 4.665%, interest paid semi-annually at May 1 and November 1.</p> <p>As a result of the refunding, the Town reduced its total debt service payments from November 1, 2015 through November 1, 2027 by \$62,984 and obtained an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$54,374.</p>	1,080,000	90,000
<p>Fire truck bond payable, Vermont Municipal Bond Bank, Series 2015 S5 principal to currently refund Series 2009-1 annual principal payments of \$50,000 through November, 2017, then \$45,000 due through November, 2019, various interest rates averaging 3.07%, interest paid semi-annually at May 1 and November 1. As a result of the refunding, the Town reduced its total debt service payments from November 1, 2016 through November 1, 2019 by \$350 and obtained an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$336.</p>	185,000	50,000
<p>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.</p>	4,320,000	240,000
<p>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 \$155,704.</p>	<u>118,598</u>	<u>28,475</u>
<p>Total governmental activities</p>	<u>\$ 9,013,598</u>	<u>\$ 743,475</u>

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

	<u>Total</u>	<u>Due within one year</u>
<i>Business-type Activities:</i>		
State revolving loan fund, sewer pumps, annual principal and interest combined payments of \$16,179, from May 2014 through May 2033, interest rate of 0.0%, with an administrative fee of 2.00%.	\$ 231,225	\$ 11,554
State revolving loan fund, Industrial Ave., total available \$832,000, annual principal and interest combined payments of \$46,677, from July 2015 through July 2034, interest rate of 0.0%, with an administrative fee of 2.00%.	731,821	32,040
State revolving loan fund, Meadowridge, annual principal and interest combined payments of \$24,866, from April 2014 through April 2033, interest rate of 0.0%, with an administrative fee of 2.00%.	355,387	17,759
State revolving loan fund, Gallop Hill Pump Station, annual principal and interest combined payments of \$10,826, 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.	<u>280,000</u>	<u>40,000</u>
<b>Total business-type activities</b>	<b><u>\$ 1,768,912</u></b>	<b><u>\$ 108,369</u></b>

Total interest paid during the year was \$363,640 in the government activities, and \$34,126 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	\$ 212,716	\$ -	\$ 94,118	118,598	\$ 28,475
General obligation bonds	9,610,000	-	715,000	8,895,000	715,000
Accrued compensated absences	244,864	9,829	-	254,693	-
<b>Total governmental activities</b>	<u>\$ 10,067,580</u>	<u>\$ 9,829</u>	<u>\$ 809,118</u>	<u>\$ 9,268,291</u>	<u>\$ 743,475</u>
<b>Business-Type Activities</b>					
General obligation bonds	\$ 1,869,062	\$ -	\$ 100,150	\$ 1,768,912	\$ 108,369
Accrued compensated absences	4,602	1,335	-	5,937	-
<b>Total business-type activities</b>	<u>\$ 1,873,664</u>	<u>\$ 1,335</u>	<u>\$ 100,150</u>	<u>\$ 1,774,849</u>	<u>\$ 108,369</u>

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

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

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

June 30	Governmental Activities			Total
	Principal	Interest	Savings Allocation	
2017	\$ 715,000	\$ 343,664	\$ (16,817)	\$ 1,041,847
2018	705,000	320,401	(20,752)	1,004,649
2019	705,000	295,994	(25,144)	975,850
2020	705,000	270,342	(23,938)	951,404
2021	660,000	244,527	(28,434)	876,093
2022-2026	3,240,000	824,141	(111,609)	3,952,532
2027-2031	1,445,000	308,080	(7,558)	1,745,522
2032-2036	720,000	50,000	-	770,000
<b>Total</b>	<b>\$ 8,895,000</b>	<b>\$ 2,657,149</b>	<b>\$ (234,252)</b>	<b>\$ 11,317,897</b>

June 30	Business-type Activities		
	Principal	Interest	Total
2017	\$ 108,369	\$ 34,075	\$ 142,444
2018	109,737	32,047	141,784
2019	111,132	29,991	141,123
2020	112,555	27,907	140,462
2021	114,006	25,794	139,800
2022-2026	472,830	99,231	572,061
2027-2031	433,716	57,024	490,740
2032-2036	306,567	14,361	320,928
<b>Total</b>	<b>\$ 1,768,912</b>	<b>\$ 320,430</b>	<b>\$ 2,089,342</b>

On May 15, 2016 the Vermont Department of Environmental Conservation Agency of Natural Resources signed a loan agreement with the Town of Williston for up to \$131,500 for installation of gravity lines. As of June 30, 2016, there was \$14,539 of expenses of which 83% is approximated to be federal funds.

Subsequent to year end, in October 2016, there was a change order on the project which increased the cost estimate to \$204,110. The Town requested additional loan funding of \$72,610 for this project from the Vermont Department of Environmental Conservation Agency which is pending approval.

In June 2016, the Town of Williston, signed an Interlocal Agreement with Champlain Water District to reimburse for future payments made on the Vermont Drinking Water State Revolving Fund used to construct a new water tank. The allocation of payments to the Town of Williston will be based on the estimated usage of the projected additional water capacity from the new tank.

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

**Capital leases**

A capital lease was entered into during fiscal year 2014 for a 2014 ambulance. The cost of the equipment is capitalized for \$214,070 with accumulated amortization of \$58,366 as of June 30, 2016. 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 is \$29,183 and is included in depreciation expense.

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, 2016:

June 30	Governmental Activities		
	Principal	Interest	Total
2017	\$ 28,475	\$ 3,202	\$ 31,677
2018	29,244	2,433	31,677
2019	30,034	1,644	31,678
2020	30,845	833	31,678
2021	-	-	-
Total	\$ 118,598	\$ 8,112	\$ 126,710

**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, 2016 consisted of the following:

Committed

Committed by Selectboard for future bridge projects and equipment replacement	<u>\$ 584,410</u>
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Assigned

Assigned from Host Town Agreements to fund future capital projects	\$ 681,766
Assigned for conservation expenditures	<u>269,421</u>
Total assigned fund balance	<u>\$ 951,187</u>

**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, 2016 consisted of the following:

Water Fund	
Water capital projects	\$ 288,344
Water fund expenditures	<u>746,553</u>
Total water fund	<u>1,034,897</u>
Meadowridge Fund	
Designated for Meadowridge fund expenditures	<u>420,257</u>
Sewer Fund	
Sewer capital projects	724,500
Sewer fund expenditures	<u>2,710,715</u>
Total sewer fund	<u>3,435,215</u>
Other proprietary fund	
Stormwater expenditures	<u>433,927</u>
Total Unrestricted Net Position	<u>\$ 5,324,296</u>

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

The restricted fund balances and net position of the Town as of June 30, 2016 consisted of the following:

	<u>Net Position</u>	<u>Fund Balance</u>
<i>Governmental Activities</i>		
Restricted by state statute - Impact fees	\$ 893,646	\$ 859,626
Restricted by state statute - Records restoration	87,671	87,671
Restricted by State - Reappraisal	249,982	249,982
Restricted by bond agreement	333,293	232,895
Restricted by bond agreement - Public works building	658,028	658,028
Restricted by grant agreements	1,038,951	88,385
Restricted by developer fee agreements	61,419	61,419
Restricted by trust agreements - cemeteries	127,966	31,073
Restricted by community development loan/grant agreement	<u>770,900</u>	<u>-</u>
Total governmental activities	<u>\$ 4,221,856</u>	<u>\$ 2,269,079</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	<u>\$ 1,992,594</u>
Total business-type activities	<u>\$ 1,992,594</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, 2016, member contributions totaled \$21,787 and employer contributions at \$22,331. There are no forfeitures for year ending June 30, 2016.

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 Groups B and C. The following is a summary of system provisions under Groups 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.

**Disability Retirement Allowance**

Eligibility: 5 years of service and disability as determined by Retirement Board.

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

**Death Benefit**

Eligibility: Death after 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, 2016 were 5.5% for Group B members, and 7.125% from July 1, 2015 to December 31, 2015 and 7.25% from January 1, 2016 to June 30, 2016 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 \$191,276.

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

At June 30, 2016, the Town reported a liability of \$962,948 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, 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, 2015, the Town's proportion was 1.24903%, which was an increase of .05066% from its proportion of 1.19837% measured as of June 30, 2014.

For the year ended June 30, 2016, the Town recognized pension expense of \$276,036. At June 30, 2016, 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 expected and actual experience	\$ 30,286	\$ -
Changes in assumptions	191,771	-
Difference between projected and actual investment earnings	186,035	-
Changes in proportionate share of contributions	40,503	-
Town contributions subsequent to the measurement date	<u>191,276</u>	<u>-</u>
 Total	 <u>\$ 639,871</u>	 <u>\$ -</u>

The \$191,276 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, 2017.

**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	\$ 92,334
2017	92,334
2018	92,334
Thereafter	<u>171,746</u>
Total	<u>\$ 448,748</u>

***Significant Actuarial Assumptions***

The total pension liability in the June 30, 2015 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

**Interest Rate:** 7.95% per annum. Through July 1, 2014, a select-and-ultimate interest rate set was used, specified below. The interest rate set was 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.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	8.61%
Fixed income	1.91%
Alternatives	6.93%
Multi-strategy	4.88%

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 7.95%. 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 7.95 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 (6.95%) or one percent higher (8.95%) than the current rate:

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

	<b>Discount Rate</b>	<b>District's proportionate share of net pension liability</b>
1% decrease	6.95%	\$ 1,923,426
Current discount rate	7.95%	\$ 962,948
1% increase	8.95%	\$ 157,794

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 2016 was:

	Residential (per \$100 valuation)	Non-Residential (per \$100 valuation)
Town	\$ 0.2800	\$ 0.2800
Education	1.5541	1.6361
Total tax rate	<u>\$ 1.8341</u>	<u>\$ 1.9161</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 2016, \$4,186,082 in local option taxes were collected by the State of Vermont. The State of Vermont reimbursed the Town's portion of the taxes in the amount of \$2,930,258.

**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

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

believes such coverage is sufficient to preclude any significant uninsured losses to the Town of Williston, Vermont.

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 total project cost is estimated at \$8,300,000. The EPA is in the process of identifying potential responsible parties. It is unknown if the Town will be considered a responsible party.

**Note 17. Concentration of Expenses**

The Town purchases water from the Champlain Water District. The Town incurred \$473,402 in expenses to Champlain Water District during the year ended June 30, 2016.

The Town purchased all of its sewage treatment from the Village of Essex Junction, Vermont for the year ended June 30, 2016. The Town incurred \$599,293 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.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies, principally the State of Vermont or the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.



**Note 19. Commitments**

As of June 30, 2016, 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 6/30/16</u>
Reappraisal	Reappraisal Fund	\$ 225,820	76%
Total Harvest Lane Project	Grant/Sidewalk Bond	118,679	99%
Rt2A Gravity Sewer Project, Total	State Revolving Loan	204,110	1%
Sewer Capacity Purchase	Sewer Revenue	500,000	0%
Allen Brook Park Bike Path	General Fund/Impact Fees	144,550	28%

Beginning July 1, 2016, 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 30 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, 2016 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**

Subsequent to year end, the Town was deeded 42 acres of land on Williston Road.

The Town of Williston, Vermont has evaluated all subsequent events through January 17, 2017, the date the financial statements were available to be issued.

**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 3 Fiscal years**

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Town's proportion of the net pension liability	1.2490%	1.1984%	1.0821%
Town's proportionate share of the net pension liability	\$ 962,948	\$ 109,371	\$ 393,978
Town's covered-employee payroll	\$ 3,139,805	\$ 2,910,148	\$ 2,508,179
Town's portion of the net pension liability as a percentage of the covered-employee payroll	30.67%	3.76%	15.71%
Plan fiduciary net position as a percentage of the total pension liability	87.42%	98.32%	92.71%

SCHEDULE 2

**TOWN OF WILLISTON, VERMONT  
SCHEDULE OF THE TOWN'S CONTRIBUTIONS  
Vermont Municipal Employees Retirement System  
Last 3 Fiscal years**

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Statutorily required contributions	\$ 174,595	\$ 154,583	\$ 129,895
Contributions in relation to the statutorily required contributions	<u>174,595</u>	<u>154,583</u>	<u>129,895</u>
Annual contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions in relation to the statutory required contribution as a percentage of the covered-employee payroll	5.56%	5.31%	5.18%

Note: This schedule will eventually present 10 years of information; however it currently only provides information on fiscal years for which it is available.

**TOWN OF WILLISTON, VERMONT**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PENSION**  
**Vermont Municipal Employees Retirement System**

**Vermont Municipal Employees  
Retirement System**

**Change in actuarial assumptions:**

Discount rate was changed from  
8.23% to 7.95%

**Proportionate share of change in actuarial assumptions:**

\$191,771

**Benefit Changes that affected measurement of the total  
pension liability during the period:**

None

**OTHER SUPPLEMENTARY INFORMATION**

**TOWN OF WILLISTON, VERMONT  
COMBINING BALANCE SHEET  
OTHER GOVERNMENTAL FUNDS  
June 30, 2016**

	<b>Special Revenue Funds</b>	<b>Capital Project Funds</b>	<b>Permanent Fund Trustees of Public Funds</b>	<b>Total</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,420,015	\$ 1,595,795	\$ 150,237	\$ 3,166,047
Receivables, net of allowance for uncollectibles	178,512	-	-	178,512
Due from other funds	<u>6,101</u>	<u>792,262</u>	<u>-</u>	<u>798,363</u>
 Total assets	 <u>\$ 1,604,628</u>	 <u>\$ 2,388,057</u>	 <u>\$ 150,237</u>	 <u>\$ 4,142,922</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 115,790	\$ -	\$ -	\$ 115,790
Due to other funds	124,758	34,250	22,271	181,279
Unearned revenue	<u>2,534</u>	<u>-</u>	<u>-</u>	<u>2,534</u>
 Total liabilities	 <u>243,082</u>	 <u>34,250</u>	 <u>22,271</u>	 <u>299,603</u>
<b>FUND BALANCES</b>				
Nonspendable, restricted - Cemetery	-	-	127,028	127,028
Restricted	410,359	1,769,397	938	2,180,694
Committed	-	584,410	-	584,410
Assigned	<u>951,187</u>	<u>-</u>	<u>-</u>	<u>951,187</u>
 Total fund balances	 <u>1,361,546</u>	 <u>2,353,807</u>	 <u>127,966</u>	 <u>3,843,319</u>
 Total liabilities and fund balances	 <u>\$ 1,604,628</u>	 <u>\$ 2,388,057</u>	 <u>\$ 150,237</u>	 <u>\$ 4,142,922</u>

**TOWN OF WILLISTON, VERMONT**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**OTHER GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2016**

	Special Revenue Funds	Capital Project Funds	Permanent Fund Trustees of Public Funds	Total
<b>REVENUES</b>				
Investment interest	\$ 3,944	\$ 4,923	\$ 305	\$ 9,172
Licenses, permits and fees	353,319	124,287	-	477,606
Intergovernmental revenues	152,112	-	-	152,112
Charges for services	7,350	-	-	7,350
Donations	22,271	-	-	22,271
	<u>538,996</u>	<u>129,210</u>	<u>305</u>	<u>668,511</u>
Total revenues				
<b>EXPENDITURES</b>				
General government	175,371	-	-	175,371
Public safety	-	5,111	-	5,111
Public works	-	18,601	-	18,601
Cemetery	33,140	-	-	33,140
Housing development	116,446	-	-	116,446
Debt service:				
Interest	-	15,710	-	15,710
Capital outlay:				
General government	21,074	-	-	21,074
Public safety	-	127,532	-	127,532
Public works	419,526	313,605	-	733,131
Parks and recreation	67,770	59,101	-	126,871
Library	31,167	-	-	31,167
	<u>864,494</u>	<u>539,660</u>	<u>-</u>	<u>1,404,154</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>(325,498)</u>	<u>(410,450)</u>	<u>305</u>	<u>(735,643)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	168,000	260,990	-	428,990
Transfers out	(260,990)	-	-	(260,990)
Proceeds from sale of capital assets	107,000	72,410	-	179,410
	<u>14,010</u>	<u>333,400</u>	<u>-</u>	<u>347,410</u>
Total other financing sources (uses)				
Net change in fund balances	(311,488)	(77,050)	305	(388,233)
Fund balances - July 1, 2015	1,673,034	2,430,857	127,661	4,231,552
Fund balances - June 30, 2016	<u>\$ 1,361,546</u>	<u>\$ 2,353,807</u>	<u>\$ 127,966</u>	<u>\$ 3,843,319</u>

TOWN OF WILLISTON, VERMONT  
 COMBINING BALANCE SHEET  
 SPECIAL REVENUE FUNDS  
 June 30, 2016

	Conservation Fund	Host Town Fund	Cemetery Fund	Reappraisal Fund	Recreation Path Fund	Agriculture Mitigation Fund	Records Restoration Fund	Champlain Housing Grant Fund	Total
<b>ASSETS</b>									
Cash and cash equivalents	\$ 269,421	\$ 712,111	\$ 27,642	\$ 281,673	\$ 40,701	\$ 1,870	\$ 86,597	\$ -	\$ 1,420,015
Receivables, net of allowance for uncollectibles	-	62,066	-	-	-	-	-	116,446	178,512
Due from other funds	-	-	5,027	-	-	-	1,074	-	6,101
Total assets	\$ 269,421	\$ 774,177	\$ 32,669	\$ 281,673	\$ 40,701	\$ 1,870	\$ 87,671	\$ 116,446	\$ 1,604,628
<b>LIABILITIES</b>									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 115,790	\$ 115,790
Due to other funds	-	92,411	-	31,691	-	-	-	656	124,758
Unearned revenue	-	-	2,534	-	-	-	-	-	2,534
Total liabilities	-	92,411	2,534	31,691	-	-	-	116,446	243,082
<b>FUND BALANCES</b>									
Restricted	-	-	30,135	249,982	40,701	1,870	87,671	-	410,359
Assigned	269,421	681,766	-	-	-	-	-	-	951,187
Total fund balances	269,421	681,766	30,135	249,982	40,701	1,870	87,671	-	1,361,546
Total liabilities and fund balances	\$ 269,421	\$ 774,177	\$ 32,669	\$ 281,673	\$ 40,701	\$ 1,870	\$ 87,671	\$ 116,446	\$ 1,604,628



**TOWN OF WILLISTON, VERMONT**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)**  
**SPECIAL REVENUE FUNDS**  
**For the Year Ended June 30, 2016**

	Conservation Fund	Host Town Fund	Cemetery Fund	Reappraisal Fund	Recreation Path Fund	Agriculture Mitigation Fund	Records Restoration Fund	Housing Grant Fund	Total
<b>REVENUES</b>									
Investment interest	\$ 1,024	\$ 2,121	\$ 11	\$ 485	\$ 102	\$ 4	\$ 197	\$ -	\$ 3,944
Licenses, permits and fees	-	324,315	842	-	-	-	28,162	-	353,319
Intergovernmental revenues	-	-	-	35,666	-	-	-	116,446	152,112
Charges for services	-	-	7,350	-	-	-	-	-	7,350
Donations	-	-	22,271	-	-	-	-	-	22,271
Total revenues	<u>1,024</u>	<u>326,436</u>	<u>30,474</u>	<u>36,151</u>	<u>102</u>	<u>4</u>	<u>28,359</u>	<u>116,446</u>	<u>538,996</u>
<b>EXPENDITURES</b>									
General government	-	14,858	-	148,568	-	-	11,945	-	175,371
Cemetery	-	-	33,140	-	-	-	-	-	33,140
Housing development	-	-	-	-	-	-	-	116,446	116,446
Capital outlay:									
General government	-	21,074	-	-	-	-	-	-	21,074
Public works	161,325	258,201	-	-	-	-	-	-	419,526
Parks and recreation	-	67,770	-	-	-	-	-	-	67,770
Library	-	31,167	-	-	-	-	-	-	31,167
Total expenditures	<u>161,325</u>	<u>393,070</u>	<u>33,140</u>	<u>148,568</u>	<u>-</u>	<u>-</u>	<u>11,945</u>	<u>116,446</u>	<u>864,494</u>
Excess (deficiency) of revenues over expenditures	<u>(160,301)</u>	<u>(66,634)</u>	<u>(2,666)</u>	<u>(112,417)</u>	<u>102</u>	<u>4</u>	<u>16,414</u>	<u>-</u>	<u>(325,498)</u>
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	140,000	-	28,000	-	-	-	-	-	168,000
Transfers out	-	(260,990)	-	-	-	-	-	-	(260,990)
Proceeds from sale of capital assets	-	107,000	-	-	-	-	-	-	107,000
Total other financing sources (uses)	<u>140,000</u>	<u>(153,990)</u>	<u>28,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,010</u>
Net change in fund balances	<u>(20,301)</u>	<u>(220,624)</u>	<u>25,334</u>	<u>(112,417)</u>	<u>102</u>	<u>4</u>	<u>16,414</u>	<u>-</u>	<u>(311,488)</u>
Fund balances - July 1, 2015	<u>289,722</u>	<u>902,390</u>	<u>4,801</u>	<u>362,399</u>	<u>40,599</u>	<u>1,866</u>	<u>71,257</u>	<u>-</u>	<u>1,673,034</u>
Fund balances - June 30, 2016	<u>\$ 269,421</u>	<u>\$ 681,766</u>	<u>\$ 30,135</u>	<u>\$ 249,982</u>	<u>\$ 40,701</u>	<u>\$ 1,870</u>	<u>\$ 87,671</u>	<u>\$ -</u>	<u>\$ 1,361,546</u>

TOWN OF WILLISTON, VERMONT  
 COMBINING BALANCE SHEET  
 CAPITAL PROJECT FUNDS  
 June 30, 2016

	Bridge Fund	Recreation Fund	Road Improvement Fund	Road Improvement Taft Corners Fund	Sidewalk Project Fund	Public Works Building Fund	Equipment Replacement Fund	Total
<b>ASSETS</b>								
Cash and cash equivalents	\$ 24,350	\$ 274,888	\$ 23,209	\$ 550,603	\$ 134,118	\$ -	\$ 588,627	\$ 1,595,795
Due from other funds	-	-	-	35,457	98,777	658,028	-	792,262
Total assets	\$ 24,350	\$ 274,888	\$ 23,209	\$ 586,060	\$ 232,895	\$ 658,028	\$ 588,627	\$ 2,388,057
<b>LIABILITIES</b>								
Due to other funds	\$ 11,977	\$ 1,322	\$ 4,361	\$ -	\$ -	\$ -	\$ 16,590	\$ 34,250
Total liabilities	11,977	1,322	4,361	-	-	-	16,590	34,250
<b>FUND BALANCES</b>								
Restricted	-	273,566	18,848	586,060	232,895	658,028	-	1,769,397
Committed	12,373	-	-	-	-	-	572,037	584,410
Total fund balances	12,373	273,566	18,848	586,060	232,895	658,028	572,037	2,353,807
Total liabilities and fund balances	\$ 24,350	\$ 274,888	\$ 23,209	\$ 586,060	\$ 232,895	\$ 658,028	\$ 588,627	\$ 2,388,057

**TOWN OF WILLISTON, VERMONT**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECT FUNDS**  
**For the Year Ended June 30, 2016**

	Bridge Fund	Recreation Fund	Road Improvement Fund	Road Improvement Taft Corners Fund	Sidewalk Project Fund	Public Works Building Fund	Equipment Replacement Fund	Total
<b>REVENUES</b>								
Investment interest	\$ 126	\$ 825	\$ 36	\$ 1,061	\$ 866	\$ 1	\$ 2,008	\$ 4,923
Licenses, permits and fees	-	39,849	-	84,438	-	-	-	124,287
Total revenues	<u>126</u>	<u>40,674</u>	<u>36</u>	<u>85,499</u>	<u>866</u>	<u>1</u>	<u>2,008</u>	<u>129,210</u>
<b>EXPENDITURES</b>								
Public Safety	-	-	-	-	-	-	5,111	5,111
Public works	-	840	4,361	2,127	-	11,273	-	18,601
Debt service:								
Interest	-	15,710	-	-	-	-	-	15,710
Capital outlay:								
Public Safety	-	-	-	-	-	-	127,532	127,532
Public works	41,069	1,175	-	15,950	100,398	-	155,013	313,605
Parks and recreation	-	16,895	-	-	-	-	42,206	59,101
Total expenditures	<u>41,069</u>	<u>34,620</u>	<u>4,361</u>	<u>18,077</u>	<u>100,398</u>	<u>11,273</u>	<u>329,862</u>	<u>539,660</u>
Excess (deficiency) of revenues over expenditures	<u>(40,943)</u>	<u>6,054</u>	<u>(4,325)</u>	<u>67,422</u>	<u>(99,532)</u>	<u>(11,272)</u>	<u>(327,854)</u>	<u>(410,450)</u>
<b>OTHER FINANCING SOURCES</b>								
Transfers in	-	-	-	-	-	-	260,990	260,990
Proceeds from sale of assets	-	-	-	-	-	-	72,410	72,410
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>333,400</u>	<u>333,400</u>
Net change in fund balances	<u>(40,943)</u>	<u>6,054</u>	<u>(4,325)</u>	<u>67,422</u>	<u>(99,532)</u>	<u>(11,272)</u>	<u>5,546</u>	<u>(77,050)</u>
Fund balances - July 1, 2015	<u>53,316</u>	<u>267,512</u>	<u>23,173</u>	<u>518,638</u>	<u>332,427</u>	<u>669,300</u>	<u>566,491</u>	<u>2,430,857</u>
Fund balances - June 30, 2016	<u>\$ 12,373</u>	<u>\$ 273,566</u>	<u>\$ 18,848</u>	<u>\$ 586,060</u>	<u>\$ 232,895</u>	<u>\$ 658,028</u>	<u>\$ 572,037</u>	<u>\$ 2,353,807</u>