

TO: Williston Selectboard
FROM: Jennifer Kennelly
SUBJECT: 2016 Audit Report
DATE: January 18, 2017

Attached is the 2016 audit report for the Town of Williston. The audit report is comprised of the Governance Letter and the Financial Statements. This year the Town of Williston was also required to perform a Single Audit Report due to the amount of federal grant funds received.

GOVERNANCE LETTER:

This is a letter directly to the Selectboard regarding any significant audit finding. As noted on page one of this letter, all significant transactions have been recognized in the proper period. There were two misstatements in the financials. One that was uncorrected by management, as it was deemed immaterial to the financial statements. Another misstatement was corrected to record a loss on the Christmas Tree Lane land purchase. It was also noted that there were no disagreements with management during the audit.

FINANCIAL STATEMENTS:

INDEPENDENT AUDITORS REPORT (pages 1-3):

Management is responsible for the preparation and fair presentation of the financial statements. The auditor's responsibility is express opinions on the financial statements. As stated on page 2, the financial statements fairly present the financial position of the Town of Williston as of June 30, 2016.

MANAGEMENT DISCUSSION AND ANALYSIS (pages 4-12):

The Governmental Accounting Standards Board requires the Town to prepare the management's discussion and analysis. This is a narrative prepared by staff to explain how the operations of Town performed over the past year, its current financial condition and future information.

FINANCIAL STATEMENTS (pages 13-35):

The Statement of Net Position and Statement of Activities for Governmental Activities and Business-type Activities, in full accrual method of accounting, are presented in Exhibits A and B. In full accrual accounting, assets include capital assets and liabilities include long term debt. The Balance sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds are included in Exhibits C and E, respectfully. The reconciliation between full accrual and modified accrual accounting methods is included in Exhibits D and F. Exhibit G is an annual statement of revenues, expenditures and changes to fund balance compared to budget.

Town Proprietary funds include Water, Sewer, Meadowridge Sewer and Stormwater. These funds operate like business type funds. Exhibits H-J, show the Balance Sheet, Income Statement and Statement of Cash Flows for these funds.

Agency Funds, those funds that are held in trust with the Town, are presented in Exhibit K.

NOTES TO THE FINANCIAL STATEMENTS (pages 36-63):

The notes to the financial statements contain detail about various areas of the statements. A summary of significant accounting policies used by the Town are covered in Note 1. The notes also include items such as Town commitments, contingencies, and the employee retirement plans.

SUPPLEMENTARY INFORMATION (pages 64-70):

The required supplementary information can be found in Schedule 1, 2 and corresponding notes. This information is in regarding to the Town's share of net pension liability and contributions made to Vermont Municipal Retirement System.

The other supplementary information is made up of the balance sheets and income statements of the various Special Revenue, Capital Funds and Agency Funds.

SINGLE AUDIT REPORT:

The Single Audit Report contains a schedule of expenditures of federal awards, internal controls over financial reporting, compliance for each major program, and a summary of findings. As stated in this report, there were no findings or issues of non-compliance.

Even though I am presenting this audit to you, the results of this report are a reflection of the quality work that Susan Lamb performed during her tenure as Finance Director for the Town of Williston.

If you have any further questions or would like to explore any area of these reports further, please let me know.