

TOWN OF WOODSTOCK, VERMONT

FINANCIAL STATEMENTS

JUNE 30, 2015

AND

INDEPENDENT AUDITOR'S REPORTS

TOWN OF WOODSTOCK, VERMONT

JUNE 30, 2015

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INDEPENDENT AUDITOR'S REPORT

The Selectboard
Town of Woodstock, 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 the aggregate remaining fund information of the Town of Woodstock, Vermont (the Town) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 Woodstock, Vermont as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the

General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Information

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying schedules 1, 2, 3 and 4, and the Schedule of Expenditures of Federal Awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying schedules 1 through 4 and the Schedule of Expenditures of Federal Awards 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 accompanying schedules 1 through 4 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 December 28, 2015 on our consideration of the Town's internal control over financial reporting; on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements; and on other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal 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's internal control over financial reporting and compliance.

Montpelier, Vermont
December 28, 2015

*Mudgett, Jennett &
Krogh-Winner, P.C.*

Management's Discussion and Analysis

Woodstock is a small town with a big heart. Everyone is welcome, to spend the day or to settle down for a life time.

The Town of Woodstock is governed by a five-member Selectboard elected to be responsible for providing municipal services such as administration, planning and zoning, public works and public safety.

The following is a discussion and analysis of the Town of Woodstock's (the Town) financial performance, including an overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2015. Readers should consider this information in conjunction with the Town's financial statements which are located after this analysis. The Town implemented the new reporting standard, Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* during FY 15.

GENERAL FUND BUDGETARY HIGHLIGHTS

On March 1, 2014 the voters of the Town of Woodstock convened at the Town Hall for the annual Town Meeting. A budget of \$4,408,140 (for fiscal year 2015 excluding special articles) was presented which included specific sums of money to operate the various Town departments. To defray operating costs, the amount needed to be raised by taxation was \$3,053,010. The budget was voted and adopted.

The approved budget increased by \$285,310 over the FY 14 budget. The change was primarily due to increases in the amount needed for public safety services and equipment, public works, culture & recreation allocations and the grand list reappraisal.

The amount to be raised by taxation of \$3,053,010 was an increase of 3.5% over the previous year's amount. No amount was used from the surplus, for the purpose of tax stabilization for the fiscal year 2015.

FINANCIAL HIGHLIGHTS

Government-wide Highlights

The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2015, by \$14,607,872. Net position for governmental activities decreased by \$120,500 and net position for business-type activities decreased by \$110,963. There were deferred outflows of resources of \$65,619 and deferred inflows of resources of \$563,595.

Fund Highlights

At the end of the fiscal year, the Town's governmental funds reported a combined ending fund balance of \$3,590,757, an increase of \$679,462 compared to the prior year. The unassigned portion of the combined fund balance includes the General Fund unassigned balance of \$71,839 and the Capital Reserve Fund unassigned balance of \$8,921 for a net unassigned balance of \$80,760. The remaining \$3,509,997 represents amounts classified for specific purposes, such as endowments and subsequent year's expenditures. The proprietary funds reported a net position at June 30, 2015, of \$2,558,637, a decrease of \$110,963 for the year.

Debt

The Town's total long-term debt and accrued compensated absences increased during the fiscal year to \$2,491,386 which includes no capital leases. During FY 2015, the Town added debt of \$793,855 and retired debt of \$222,061 for a net increase of \$571,794.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) establishes accounting principles generally accepted in the United States of America (U.S. GAAP) for governmental entities. The Town's financial statements for the year ended June 30, 2015 are prepared and presented using the guidelines established by the GASB.

The Town's basic financial statements consist of the following three components:

- **Management's Discussion and Analysis** - An introduction to the basic financial statements that is intended to be an easily read analysis of the Town's financial activities based on currently known facts, decisions or conditions.
- **Basic Financial Statements** - This section of the report includes government-wide financial statements, fund financial statements and notes to the financial statements. The government-wide financial statements present the financial position and activities of the Town as a whole using accounting methods similar to those used by private-sector companies. The fund financial statements present financial information on specific activities of the Town. The notes to the financial statements provide additional disclosures to the information presented in the financial statements.
- **Supplementary Schedules** - This section of the report is not required by U.S. GAAP but is presented as supplementary information. This includes budgetary basis schedules and combining statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances. The statements provide both short-term and long-term information about the Town's financial position which helps readers determine whether the Town's financial position has improved or deteriorated during the fiscal year. These statements include all non-fiduciary activity on the accrual basis of accounting. This means that all revenues and expenses are reflected in the financial statements even if the related cash has not been received or paid as of June 30. There are two government-wide statements:

- **Statement of Net Position** - This statement presents information on all of the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between assets plus deferred outflows less liabilities less deferred inflows reported as net position. Over time, increases or decreases in net position may indicate whether the financial position of the Town is improving or deteriorating and what impact deferred outflows and inflows of resources are making.
- **Statement of Activities** - This statement presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements have separate columns for governmental activities and business-type activities. The Town's activities are classified as follows:

- **Governmental Activities** - Activities reported here include general government, public safety, public works, culture and recreation, and interest on debt. Property taxes and federal, state and other revenues finance these activities.
- **Business-type Activities** - Activities reported here include the Unemployment Fund and Sewer Fund.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Woodstock, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the Town's funds can be divided into two categories: governmental and proprietary. Each of these categories uses different methods of accounting.

- **Governmental funds** - Most of the basic services provided by the Town are reported in the governmental funds. These statements provide a detailed, short-term view of the functions reported as governmental activities in the government-wide financial statements. The government-wide financial statements are reported using the accrual basis of accounting, but the governmental fund financial statements are reported using the modified accrual basis of accounting. This allows the reader to focus on assets that can be readily converted to cash and determine whether there are adequate resources to meet the Town's current needs.
- **Proprietary funds** - Proprietary funds report activities that operate more like those of private-sector business and use the accrual basis of accounting. Proprietary funds are reported as business-type activities on the government-wide financial statements. Since proprietary funds use accrual basis accounting, there are no differences between amounts reported on the government-wide statements and the proprietary fund statements. The Town uses proprietary funds to account for its Sewer Fund and Unemployment Fund.

The governmental fund statements include reconciliations of amounts reported on these statements (modified accrual accounting) with governmental activities on the government-wide statements (accrual accounting). The following indicates some of the reporting differences between the government-wide financial statements and the fund financial statements.

- Capital assets used in government-wide activities are not reported on governmental fund statements.
- Other long-term assets that are not available to pay for current period expenditures are not included in governmental fund statements, but are included on the government-wide statements.
- Long-term liabilities, unless due and payable, are not included in the governmental fund financial statements. These liabilities are only included in the government-wide statements.
- Capital outlay spending results in capital assets on the government-wide statements, but is reported as an expenditure in the fund financial statements.

Because the focus of governmental funds is different from that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This comparison can help readers better understand the long-term impact of the Town's near-term financing decisions. The comparisons are:

- Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position.
- Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities.

The reconciliation of the government-wide financial statements to proprietary fund financial statements isn't necessary. The business-type activities of the government-wide financial statements and the proprietary funds use the same basis of accounting.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Position

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. However, the net position of governmental activities should be viewed independently from business-type activities. Revenues of the business-type activities are generally used to finance the operations of the Sewer Fund and the Unemployment Fund.

The following table reflects the government-wide net position compared to the prior year. The prior year has been restated to reflect the changes made by the adoption of GASB 68 and the correction made for the capitalization of infrastructure.

Net Position June 30, 2015 and June 30, 2014						
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current assets	\$ 5,023,220	\$ 4,511,096	\$ 835,645	\$ 1,172,583	\$ 5,858,865	\$ 5,683,679
Capital assets	10,332,993	10,549,001	2,045,868	1,873,959	12,378,861	12,422,960
Total assets	15,356,213	15,060,097	2,881,513	3,046,542	18,237,726	18,106,639
Deferred outflows of resources	51,232	-	14,387	-	65,619	-
Current liabilities	756,007	1,341,526	51,720	65,831	807,727	1,407,357
Long-term liabilities	2,065,671	1,443,275	258,480	286,006	2,324,151	1,729,281
Total liabilities	2,821,678	2,784,801	310,200	351,837	3,131,878	3,136,638
Deferred inflows of resources	536,532	5,500	27,063	-	563,595	5,500
Net Position:						
Net investment in capital assets	8,365,616	9,204,464	1,819,818	1,610,234	10,185,434	10,814,698
Restricted - Nonexpendable	1,225,341	1,258,220	-	-	1,225,341	1,258,220
Restricted - Expendable	1,812,065	1,747,482	105,363	105,139	1,917,428	1,852,621
Unrestricted	646,213	59,630	633,456	979,332	1,279,669	1,038,962
Effect of GASB 68 on the year ended June 30, 2014	-	(100,061)	-	(25,105)	-	(125,166)
Total net position (restated)	\$ 12,049,235	\$ 12,169,735	\$ 2,558,637	\$ 2,669,600	\$ 14,607,872	\$ 14,839,335

The portion of the Town's governmental activities net position as of June 30, 2015 that reflects its net investment in capital assets (e.g. land, buildings, equipment, and construction in progress), less any related debt used to acquire those assets is \$8,365,616 or 69.4%. The Town uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the Town's governmental activities net position (25.2%) represents restricted net position. These resources are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$646,213 may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the 2015 fiscal year, the Town of Woodstock is able to report positive balances in all of the three categories of net position for both governmental and business-type activities.

Changes in Net Position for the Fiscal Years Ended June 30, 2015 and 2014

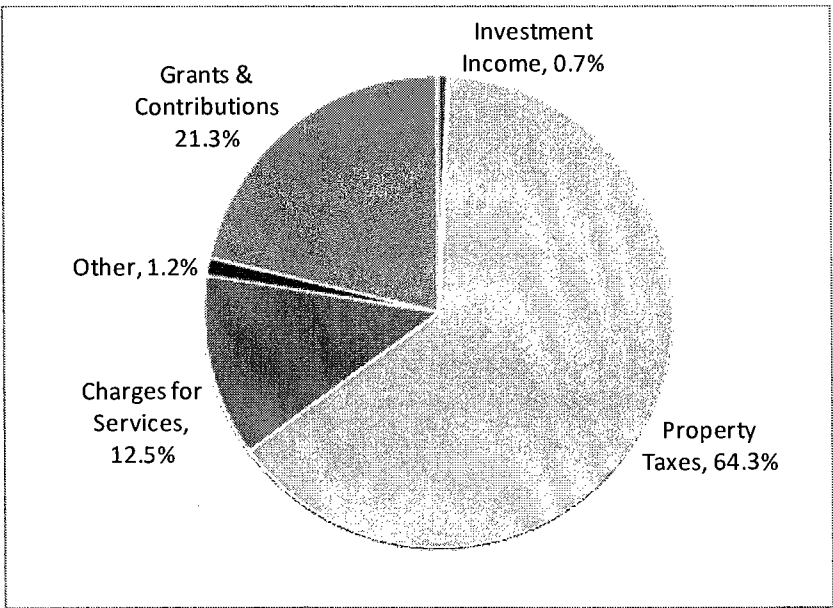
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues						
Program Revenues						
Grants and Contributions	\$ 1,174,317	\$ 1,175,788	\$ 22,000	\$ -	\$ 1,196,317	\$ 1,175,788
Charges for Services	688,275	647,344	697,225	661,458	1,385,500	1,308,802
Other	66,115	18,779	4,140	2,969	70,255	21,748
General Revenues						
Property Taxes	3,554,267	3,556,509	-	-	3,554,267	3,556,509
Donations	-	2,614,390	-	-	-	2,614,390
Investment Income	32,030	31,609	3,295	3,320	35,325	34,929
Total Revenues	<u>5,515,004</u>	<u>8,044,419</u>	<u>726,660</u>	<u>667,747</u>	<u>6,241,664</u>	<u>8,712,166</u>
Expenses						
Governmental Activities						
General Government	1,049,417	1,035,715	-	-	1,049,417	1,035,715
Public Works	1,636,293	1,916,286	-	-	1,636,293	1,916,286
Public Safety	1,297,190	1,267,167	-	-	1,297,190	1,267,167
Community Development	915,431	-	-	-	915,431	-
Culture and Recreation	700,564	742,017	-	-	700,564	742,017
Debt Service - Interest	48,575	52,737	-	-	48,575	52,737
Business-type Activities						
Sewer	-	-	822,341	812,795	822,341	812,795
Total Expenses	<u>5,647,470</u>	<u>5,013,922</u>	<u>822,341</u>	<u>812,795</u>	<u>6,469,811</u>	<u>5,826,717</u>
Changes in Net Position before Changes in Market Value (MV) and Transfers	(132,466)	3,030,497	(95,681)	(145,048)	(228,147)	2,885,449
MV Increase(Decrease)	(3,316)	236,088	-	-	(3,316)	236,088
Transfer In (Out)	15,282	(989)	(15,282)	989	-	-
Changes in Net Position	<u>(120,500)</u>	<u>3,265,596</u>	<u>(110,963)</u>	<u>(144,059)</u>	<u>(231,463)</u>	<u>3,121,537</u>
Effect of GASB 68 on the year ended June 30, 2014	-	(100,061)	-	(25,105)	-	(125,166)
Net Position - Beginning (restated)	<u>12,169,735</u>	<u>9,004,200</u>	<u>2,669,600</u>	<u>2,838,764</u>	<u>14,839,335</u>	<u>11,842,964</u>
Net Position - Ending (restated)	<u>\$ 12,049,235</u>	<u>\$ 12,169,735</u>	<u>\$ 2,558,637</u>	<u>\$ 2,669,600</u>	<u>\$ 14,607,872</u>	<u>\$ 14,839,335</u>

Governmental Activities - In the fiscal year 2015, property taxes provided 64.3% of revenues. Grants and Contributions accounted for 21.3%. The amount earned on investments was 0.7% of total governmental activities revenues. Charges for Services brought in 12.5%.

Business-type Activities - Charges for Services accounted for 95.9% of revenues.

The following is a graphical representation of the Statement of Activities revenues for governmental activities.

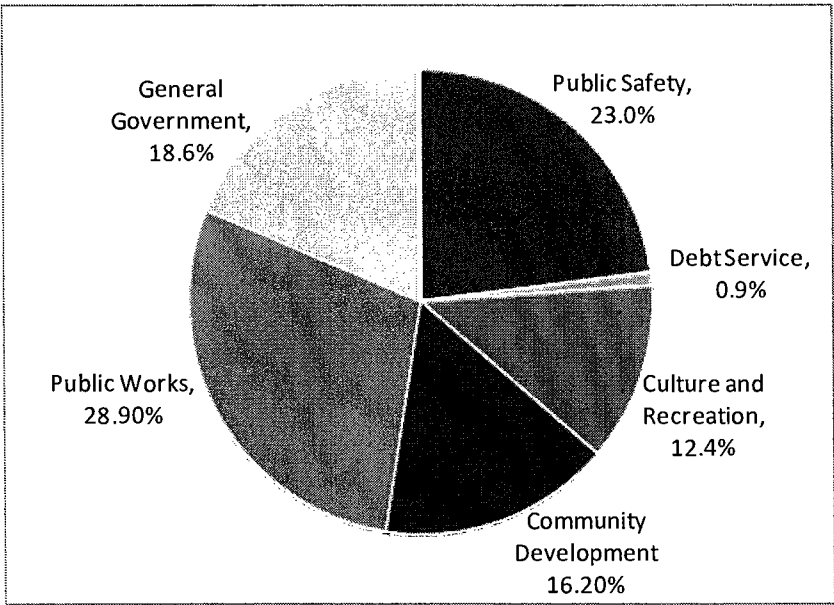
Revenues by Source



For FY 2015, governmental activity expenses exceeded program revenues by \$3,718,763 compared to \$3,163,161 for FY 2014.

The following is a graphical representation of the Statement of Activities expenses for governmental activities.

Expenses by Type



While Town expenses cover many services, the largest expenses are for public works, general government and public safety.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Town of Woodstock uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Town of Woodstock's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the 2015 fiscal year, the Town's governmental funds reported combined ending fund balances of \$3,590,757. A combined unassigned balance of \$80,760 consists of a General Fund unassigned surplus of \$71,839 and a Capital Reserve Fund unassigned balance of \$8,921. The remainder of the fund balance is classified to indicate that it is not available for new spending because it has already been set aside for specific purposes such as subsequent year's expenditures and capital improvements.

General Fund - The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance was \$71,839 and nonspendable, restricted, committed and assigned fund balance was \$166,914. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures and interfund transfers. Unassigned fund balance represents 1.55% of total General Fund expenditures. Total fund balance represents 5.14% of total General Fund expenditures. The fund balance of the Town's General Fund decreased by \$5 during the fiscal year.

Proprietary Funds - The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. In addition to determining the amount of General Fund balance available for appropriation, the Town also makes a similar calculation for the Sewer Fund and Unemployment Fund.

Unrestricted net position of the Town's Sewer Fund amounts to \$633,456, a decrease of \$320,771 during the most recent fiscal year; restricted net position of \$0 is unchanged from FY 14. Restricted net position of the Town's Unemployment Fund amounts to \$105,363, an increase of \$224. Other factors concerning these two funds have already been addressed in the discussion of the Town's business-type activities.

CAPITAL ASSETS

The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2015, amounts to \$12,378,861 (net of depreciation). This amount represents a decrease of \$44,099 from the prior year. This investment in capital assets includes land and improvements, buildings and improvements, vehicles and equipment, infrastructure, and construction in process.

Capital Assets as of June 30, 2015 and June 30, 2014
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land	\$ 642,570	\$ 642,570	\$ 36,164	\$ 36,164	\$ 678,734	\$ 678,734
Land Improvements	10,594	-	-	-	10,594	-
Construction in process	-	10,395	-	27,231	-	37,626
Infrastructure	5,166,758	5,223,040	-	-	5,166,758	5,223,040
Buildings and improvements	2,878,204	3,001,298	-	-	2,878,204	3,001,298
Sewer treatment plant	-	-	1,966,202	1,756,596	1,966,202	1,756,596
Vehicles and equipment	1,397,430	1,455,750	38,195	49,356	1,435,625	1,505,106
Office equipment and computers	237,437	215,948	5,307	4,612	242,744	220,560
Total assets	<u>\$ 10,332,993</u>	<u>\$ 10,549,001</u>	<u>\$ 2,045,868</u>	<u>\$ 1,873,959</u>	<u>\$ 12,378,861</u>	<u>\$ 12,422,960</u>

Additional information on the Town's capital assets can be found in Note 3, "Capital assets."

DEBT ADMINISTRATION

Long-term Debt – On June 30, 2015, the Town of Woodstock had total long-term debt outstanding of \$2,491,386. Of this amount, \$840,000 represents bonds issued by the Vermont Municipal Bond Bank at a net interest rate of 4.67%, \$9,043 represents a note payable at an interest rate of 1.99%, \$16,845 represents a note payable at an interest rate of 1.92%, \$19,936 represents notes payable at an interest rate of 2.243%, \$30,693 represents a note payable at an interest rate of 2.35%, \$71,860 represents a note payable at an interest rate of 1.74%, \$18,000 represents a note payable at an interest rate of 2.242%, \$75,000 represents a note payable at an interest rate of 1.65%, \$30,000 represents a note payable at an interest rate of 1.65%, \$226,050 represents non-interest bearing bonds issued by the Vermont Municipal Bond Bank, \$669,000 represents bonds at an interest rate of 2.49%, \$187,000 represents bonds at an interest rate of 3.0%, and \$297,959 represents compensated absence obligations.

FISCAL YEAR 2016 BUDGET

For fiscal year 2016, property taxes are projected to increase 1.5% or \$46,090 over last year's budget. An amount of \$95,000 will be used from the surplus for the purpose of tax stabilization for the fiscal year 2016. The Special Articles approved for FY 16 are \$10,800 more than those in FY 15. The fiscal year 2016 budget adopted at the Town Meeting in March, 2015 will maintain services at the fiscal year 2015 levels.

As of June 30, 2015, the Town of Woodstock has received \$4,657,989 from the Federal Emergency Management Agency (FEMA) and the State of Vermont in aid to cover the cost to repair damage caused by Tropical Storm Irene. The Town's long-term debt was increased by \$669,000, which represents a bond payable for the local portion of the cost to repair damage caused by Tropical Storm Irene.

Requests for Information

This financial report is designed to provide a general overview of the Town of Woodstock's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Municipal Manager, Town of Woodstock, PO Box 488, Woodstock VT 05091.

TOWN OF WOODSTOCK, VERMONT
GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2015
(Page 1 of 2)

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Totals</u>
ASSETS:			
Current assets -			
Cash and cash equivalents	\$ 1,829,646	\$ 794,299	\$ 2,623,945
Investments	1,526,448	-	1,526,448
Receivables:			
Delinquent taxes	601,250	-	601,250
Accounts, grants and notes	596,300	42,548	638,848
Due from Village of Woodstock	2,615	-	2,615
Prepaid expenses	21,087	-	21,087
Safford Commons receivable	411,034	-	411,034
Other assets	33,638	-	33,638
Internal balances	1,202	(1,202)	-
Total current assets	<u>5,023,220</u>	<u>835,645</u>	<u>5,858,865</u>
Noncurrent assets -			
Capital assets	14,401,289	7,101,946	21,503,235
less - accumulated depreciation	<u>(4,068,296)</u>	<u>(5,056,078)</u>	<u>(9,124,374)</u>
Total noncurrent assets	<u>10,332,993</u>	<u>2,045,868</u>	<u>12,378,861</u>
Total assets	<u>15,356,213</u>	<u>2,881,513</u>	<u>18,237,726</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred pension expense	<u>51,232</u>	<u>14,387</u>	<u>65,619</u>
LIABILITIES:			
Current liabilities -			
Accounts payable	569,184	12,138	581,322
Accrued expenses	17,585	1,907	19,492
Current portion of long-term debt	<u>169,238</u>	<u>37,675</u>	<u>206,913</u>
Total current liabilities	<u>756,007</u>	<u>51,720</u>	<u>807,727</u>
Noncurrent liabilities -			
Accrued compensated absences	236,148	61,811	297,959
Long-term debt	1,798,139	188,375	1,986,514
Net pension liability	<u>31,384</u>	<u>8,294</u>	<u>39,678</u>
Total noncurrent liabilities	<u>2,065,671</u>	<u>258,480</u>	<u>2,324,151</u>
Total liabilities	<u>2,821,678</u>	<u>310,200</u>	<u>3,131,878</u>

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2015
(Page 2 of 2)

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Totals</u>
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue - grants	415,132	-	415,132
Deferred pension credits	102,410	27,063	129,473
Unavailable revenue - donation	<u>18,990</u>	<u>-</u>	<u>18,990</u>
Total deferred inflows of resources	<u>536,532</u>	<u>27,063</u>	<u>563,595</u>
NET POSITION:			
Net investment in capital assets	8,365,616	1,819,818	10,185,434
Restricted - nonexpendable	1,225,341	-	1,225,341
Restricted - expendable	1,812,065	105,363	1,917,428
Unrestricted	<u>646,213</u>	<u>633,456</u>	<u>1,279,669</u>
Total net position	\$ <u>12,049,235</u>	\$ <u>2,558,637</u>	\$ <u>14,607,872</u>

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

	Expenses	Program Revenues			Net (Expense) Revenue and		
		Grants and Contributions	Charges for		Changes in Net Position		
			Services	Other	Governmental Activities	Business-type Activities	Totals
FUNCTIONS/PROGRAMS:							
Governmental activities -							
General government	\$ 1,049,417	\$ 24,859	\$ 114,640	\$ 21,465	\$ (888,453)	\$ -	\$ (888,453)
Public safety	1,297,190	38,647	501,516	87	(756,940)	-	(756,940)
Public works	1,636,293	198,380	-	44,563	(1,393,350)	-	(1,393,350)
Community development	915,431	912,431	-	-	(3,000)	-	(3,000)
Culture and recreation	700,564	-	72,119	-	(628,445)	-	(628,445)
Debt service - interest	48,575	-	-	-	(48,575)	-	(48,575)
Total governmental activities	<u>5,647,470</u>	<u>1,174,317</u>	<u>688,275</u>	<u>66,115</u>	<u>(3,718,763)</u>	<u>-</u>	<u>(3,718,763)</u>
Business-type activities -							
Sewer	822,341	22,000	697,225	4,140	-	(98,976)	(98,976)
Total business-type activities	<u>822,341</u>	<u>22,000</u>	<u>697,225</u>	<u>4,140</u>	<u>-</u>	<u>(98,976)</u>	<u>(98,976)</u>
	\$ 6,469,811	\$ 1,196,317	\$ 1,385,500	\$ 70,255	(3,718,763)	(98,976)	(3,817,739)
GENERAL REVENUES - PROPERTY TAXES							
					3,554,267	-	3,554,267
					32,030	3,295	35,325
- INVESTMENT INCOME							
					(3,316)	-	(3,316)
- NET INCREASE (DECREASE) IN FAIR MARKET VALUE OF INVESTMENTS							
					15,282	(15,282)	-
- TRANSFERS IN (OUT)							
					3,598,263	(11,987)	3,586,276
CHANGE IN NET POSITION							
					(120,500)	(110,963)	(231,463)
NET POSITION, July 1, 2014, as restated							
					12,169,735	2,669,600	14,839,335
NET POSITION, June 30, 2015							
					\$ 12,049,235	\$ 2,558,637	\$ 14,607,872

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2015
(Page 1 of 3)

	General Fund	Capital Reserve Fund	Permanent Fund	Community Development Fund	Irene Fund	Totals Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 301,423	\$ 1,149,447	\$ 378,676	\$ 100	\$ -	\$ 1,829,646
Investments	-	-	1,526,448	-	-	1,526,448
Receivables - Delinquent taxes	601,250	-	-	-	-	601,250
- Accounts, grants and notes	94,903	-	-	501,397	-	596,300
Due from other funds	-	298,433	-	-	-	298,433
Due from Village of Woodstock	2,615	-	-	-	-	2,615
Prepaid expenditures	21,087	-	-	-	-	21,087
Safford Commons receivable	-	-	-	411,034	-	411,034
Other assets	33,638	-	-	-	-	33,638
Total assets	\$ 1,054,916	\$ 1,447,880	\$ 1,905,124	\$ 912,531	\$ -	\$ 5,320,451

**LIABILITIES, DEFERRED INFLOWS
OF RESOURCES AND FUND EQUITY**

LIABILITIES:						
Accounts payable	\$ 66,787	\$ -	\$ 1,000	\$ 501,397	\$ -	\$ 569,184
Accrued payroll and benefits	17,585	-	-	-	-	17,585
Due to other funds	297,131	-	-	100	-	297,231
Total liabilities	381,503	-	1,000	501,497	-	884,000

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2015
(Page 2 of 3)

	General Fund	Capital Reserve Fund	Permanent Fund	Community Development Fund	Irene Fund	Totals Governmental Funds
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue - grants	4,098	-	-	411,034	-	415,132
Unavailable revenue - property taxes	411,572	-	-	-	-	411,572
Unavailable revenue - donation	18,990	-	-	-	-	18,990
Total deferred inflows of resources	<u>434,660</u>	<u>-</u>	<u>-</u>	<u>411,034</u>	<u>-</u>	<u>845,694</u>
FUND BALANCES:						
Nonspendable	21,087	-	1,225,341	-	-	1,246,428
Restricted	22,940	71,588	678,783	-	-	773,311
Committed	-	1,038,754	-	-	-	1,038,754
Assigned	122,887	328,617	-	-	-	451,504
Unassigned	71,839	8,921	-	-	-	80,760
Total fund balances	<u>238,753</u>	<u>1,447,880</u>	<u>1,904,124</u>	<u>-</u>	<u>-</u>	<u>3,590,757</u>
Total liabilities, deferred inflows of resources and fund equity	<u>\$ 1,054,916</u>	<u>\$ 1,447,880</u>	<u>\$ 1,905,124</u>	<u>\$ 912,531</u>	<u>\$ -</u>	<u>\$ 5,320,451</u>

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2015
(Page 3 of 3)

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION:

Amount reported on Balance Sheet - Governmental Funds - total fund balances	\$ 3,590,757
Amounts reported for governmental activities in the Government-wide Statement of Net Position are different because -	
Capital assets used in governmental funds are not financial resources and are therefore not reported in the funds.	
Capital assets	14,401,289
Accumulated depreciation	(4,068,296)
Liabilities not due and payable in the year are not reported in the governmental funds.	
Long-term debt - Bonds and notes payable	(1,967,377)
Accrued compensated absences	(236,148)
Unavailable property taxes are reported as a deferred inflow of resources in the governmental funds if not collected within 60 days; this revenue is not deferred on the government-wide statements.	411,572
Balances related to net pension asset or liability and related deferred outflows/inflows of resources are not reported in the governmental funds.	
Deferred pension expense	51,232
Deferred pension credits	(102,410)
Net pension liability	<u>(31,384)</u>
Net position of governmental activities - Government-wide Statement of Net Position	<u>\$ 12,049,235</u>

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

(Page 1 of 3)

	General Fund	Capital Reserve Fund	Permanent Fund	Community Development Fund	Irene Fund	Totals Governmental Funds
REVENUES:						
Taxes	\$ 3,548,106	\$ -	\$ -	\$ -	-	\$ 3,548,106
Intergovernmental	255,334	-	-	912,431	24,696	1,192,461
Licenses, permits, fines, and fees	197,967	-	-	-	-	197,967
Charges for goods and services	403,876	-	-	-	-	403,876
Investment income	204	99	31,712	-	15	32,030
Net increase (decrease) in fair value of investments	-	-	(3,316)	-	-	(3,316)
Miscellaneous	96,203	-	450	-	5	96,658
Total revenues	<u>4,501,690</u>	<u>99</u>	<u>28,846</u>	<u>912,431</u>	<u>24,716</u>	<u>5,467,782</u>
EXPENDITURES:						
Current -						
General government	832,508	-	46,002	-	-	878,510
Public safety	1,107,954	-	-	-	-	1,107,954
Public works	975,314	-	-	-	11,477	986,791
Community development	-	-	-	912,431	-	912,431
Culture and recreation	562,882	-	-	-	-	562,882
Comfort Station	28,932	-	-	-	-	28,932
Intergovernmental	226,668	-	-	-	-	226,668
Grants	8,467	-	-	-	-	8,467
Special articles	184,447	-	-	-	-	184,447
Capital reserve spending	153,490	-	-	-	-	153,490
Loss repair	22,353	-	-	-	-	22,353
Capital outlay	325,255	-	-	-	-	325,255
Debt service - principal	169,160	-	-	-	-	169,160
- interest	48,575	-	-	-	-	48,575
Total expenditures	<u>4,646,005</u>	<u>-</u>	<u>46,002</u>	<u>912,431</u>	<u>11,477</u>	<u>5,615,915</u>

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

(Page 2 of 3)

	General Fund	Capital Reserve Fund	Permanent Fund	Community Development Fund	Irene Fund	Totals Governmental Funds
EXCESS OF REVENUES OR (EXPENDITURES)	<u>(144,315)</u>	<u>99</u>	<u>(17,156)</u>	<u>-</u>	<u>13,239</u>	<u>(148,133)</u>
OTHER FINANCING SOURCES (USES):						
Bond and note proceeds	123,000	-	-	-	669,000	792,000
Insurance reimbursements	20,313	-	-	-	-	20,313
Interfund transfers in	262,616	298,219	-	-	-	560,835
Interfund transfers out	<u>(261,619)</u>	<u>(273,934)</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>(545,553)</u>
Total other financing sources (uses)	<u>144,310</u>	<u>24,285</u>	<u>(10,000)</u>	<u>-</u>	<u>669,000</u>	<u>827,595</u>
NET CHANGE IN FUND BALANCES	(5)	24,384	(27,156)	-	682,239	679,462
FUND BALANCES (DEFICIT), July 1, 2014	<u>238,758</u>	<u>1,423,496</u>	<u>1,931,280</u>	<u>-</u>	<u>(682,239)</u>	<u>2,911,295</u>
FUND BALANCES, June 30, 2015	<u>\$ 238,753</u>	<u>\$ 1,447,880</u>	<u>\$ 1,904,124</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,590,757</u>

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

(Page 3 of 3)

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES:

Net change in fund balances - total governmental funds \$ 679,462

Amounts reported for governmental activities in the Government-wide Statement of Activities are different because -

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Additions to capital assets, net of dispositions
 Depreciation

284,570
 (500,578)

Property tax revenue in governmental funds includes revenue of the prior year but excludes unavailable revenue of the current year as taxes uncollected within 60 days are unavailable at year end.

Prior year
 Current year

(405,411)
 411,572

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.

Decrease in compensated absences, net
 Proceeds from bonds and notes payable
 Principal payments on bonds and notes payable

15,226
 (792,000)
 169,160

Changes in net pension asset or liability and related deferred outflows/inflows of resources will increase or decrease the amounts reported in the government-wide statements, but are only recorded as an expenditure when paid in the governmental funds.

Net (increase) decrease in pension obligation

17,499
\$ (120,500)

Change in net position of governmental activities - Government-wide Statement of Activities

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original and Final <u>Budget</u>	Actual (Budgetary Basis) <u>Basis)</u>	Variance Over (Under)
REVENUES:			
Property taxes	\$ 3,480,807	\$ 3,548,106	\$ 67,299
Licenses and permits	77,000	64,456	(12,544)
Intergovernmental	133,000	255,334	122,334
Charges for services	494,730	403,876	(90,854)
Fines and forfeits	134,000	133,511	(489)
Investment income	500	204	(296)
Miscellaneous	16,900	96,203	79,303
Total revenues	<u>4,336,937</u>	<u>4,501,690</u>	<u>164,753</u>
EXPENDITURES:			
General government	825,560	832,959	7,399
Public safety	1,105,255	1,114,292	9,037
Public works	1,150,600	1,177,735	27,135
Culture and recreation	571,025	579,828	8,803
Comfort Station	26,700	28,932	2,232
Intergovernmental	220,000	226,668	6,668
Special articles	186,797	184,447	(2,350)
Capital reserve spending	273,000	375,658	102,658
Loss repair	-	22,353	22,353
Grants	-	103,133	103,133
Total expenditures	<u>4,358,937</u>	<u>4,646,005</u>	<u>287,068</u>
EXCESS OF REVENUES OR (EXPENDITURES)	<u>(22,000)</u>	<u>(144,315)</u>	<u>(122,315)</u>
OTHER FINANCING SOURCES (USES):			
Note proceeds	-	123,000	123,000
Insurance reimbursements	-	20,313	20,313
Transfers in	283,000	262,616	(20,384)
Transfers out	<u>(261,000)</u>	<u>(261,619)</u>	<u>(619)</u>
Total other financing sources (uses)	<u>22,000</u>	<u>144,310</u>	<u>122,310</u>
NET CHANGE IN FUND BALANCE	\$ <u>-</u>	\$ <u>(5)</u>	\$ <u>(5)</u>

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2015
(Page 1 of 2)

	<u>Sewer Fund</u>	<u>Unemployment Fund</u>	<u>Totals Proprietary Funds</u>
ASSETS:			
Current assets -			
Cash and cash equivalents	\$ 688,936	\$ 105,363	\$ 794,299
Accounts receivable (Net of allowance for doubtful accounts of \$5,000)	<u>42,548</u>	<u>-</u>	<u>42,548</u>
Total current assets	<u>731,484</u>	<u>105,363</u>	<u>836,847</u>
Noncurrent assets -			
Capital assets	7,101,946	-	7,101,946
less - accumulated depreciation	<u>(5,056,078)</u>	<u>-</u>	<u>(5,056,078)</u>
Total noncurrent assets	<u>2,045,868</u>	<u>-</u>	<u>2,045,868</u>
Total assets	<u>2,777,352</u>	<u>105,363</u>	<u>2,882,715</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension expense	<u>14,387</u>	<u>-</u>	<u>14,387</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
LIABILITIES:			
Current liabilities -			
Accounts payable	12,138	-	12,138
Accrued payroll	1,907	-	1,907
Due to other funds	1,202	-	1,202
Current portion of long-term debt	<u>37,675</u>	<u>-</u>	<u>37,675</u>
Total current liabilities	<u>52,922</u>	<u>-</u>	<u>52,922</u>
Noncurrent liabilities -			
Net pension liability	8,294	-	8,294
Accrued compensated absences	61,811	-	61,811
Long-term debt	<u>188,375</u>	<u>-</u>	<u>188,375</u>
Total noncurrent liabilities	<u>258,480</u>	<u>-</u>	<u>258,480</u>
Total liabilities	<u>311,402</u>	<u>-</u>	<u>311,402</u>

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2015
(Page 2 of 2)

	Sewer <u>Fund</u>	Unemployment <u>Fund</u>	Totals Proprietary <u>Funds</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred pension credits	<u>27,063</u>	<u>-</u>	<u>27,063</u>
NET POSITION:			
Net investment in capital assets	1,819,818	-	1,819,818
Restricted	-	105,363	105,363
Unrestricted	<u>633,456</u>	<u>-</u>	<u>633,456</u>
Total net position	\$ <u>2,453,274</u>	\$ <u>105,363</u>	\$ <u>2,558,637</u>

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Sewer <u>Fund</u>	Unemployment <u>Fund</u>	Totals Proprietary <u>Funds</u>
OPERATING REVENUES:			
User fees	\$ 637,412	\$ -	\$ 637,412
Miscellaneous	<u>5</u>	<u>-</u>	<u>5</u>
Total operating revenues	<u>637,417</u>	<u>-</u>	<u>637,417</u>
OPERATING EXPENSES:			
Operations and maintenance	551,536	-	551,536
Vehicles	19,733	-	19,733
Administration	78,422	-	78,422
Depreciation	<u>172,650</u>	<u>-</u>	<u>172,650</u>
Total operating expenses	<u>822,341</u>	<u>-</u>	<u>822,341</u>
Operating income (loss)	<u>(184,924)</u>	<u>-</u>	<u>(184,924)</u>
NONOPERATING REVENUES (EXPENSES):			
Tap fees	59,813	-	59,813
Efficiency VT rebate	22,000	-	22,000
(Increase)/decrease in net pension liability	4,135	-	4,135
Interest income	<u>3,071</u>	<u>224</u>	<u>3,295</u>
Total nonoperating revenues (expenses)	<u>89,019</u>	<u>224</u>	<u>89,243</u>
INCOME (LOSS) BEFORE TRANSFERS	(95,905)	224	(95,681)
Operating transfers in	21,318	-	21,318
Operating transfers out	<u>(36,600)</u>	<u>-</u>	<u>(36,600)</u>
CHANGE IN NET POSITION	(111,187)	224	(110,963)
NET POSITION, July 1, 2014, as restated	<u>2,564,461</u>	<u>105,139</u>	<u>2,669,600</u>
NET POSITION, June 30, 2015	\$ <u>2,453,274</u>	\$ <u>105,363</u>	\$ <u>2,558,637</u>

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Sewer Fund	Unemployment Fund	Totals Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 631,433	\$ -	\$ 631,433
Cash paid to suppliers for goods and services	(340,509)	-	(340,509)
Cash paid to employees for services	(318,800)	-	(318,800)
Net cash provided (used) by operating activities	<u>(27,876)</u>	<u>-</u>	<u>(27,876)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Fees from sewer connections	59,813	-	59,813
Efficiency VT rebate	22,000	-	22,000
Additions to property plant and equipment	(344,559)	-	(344,559)
Payment on bonds payable	<u>(37,675)</u>	<u>-</u>	<u>(37,675)</u>
Net cash provided (used) by capital and related financing activities	<u>(300,421)</u>	<u>-</u>	<u>(300,421)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Change in due from other funds	3,671	-	3,671
Transfers (to) from other funds, net	<u>(15,282)</u>	<u>-</u>	<u>(15,282)</u>
Net cash provided (used) by noncapital financing activities	<u>(11,611)</u>	<u>-</u>	<u>(11,611)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest income	<u>3,071</u>	<u>224</u>	<u>3,295</u>
Net cash provided (used) by investing activities	<u>3,071</u>	<u>224</u>	<u>3,295</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(336,837)	224	(336,613)
CASH AND CASH EQUIVALENTS, July 1, 2014	<u>1,025,773</u>	<u>105,139</u>	<u>1,130,912</u>
CASH AND CASH EQUIVALENTS, June 30, 2015	\$ <u>688,936</u>	\$ <u>105,363</u>	\$ <u>794,299</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (184,924)	\$ -	\$ (184,924)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities -			
Depreciation	172,650	-	172,650
Change in the following assets/liabilities:			
(Increase)/decrease in accounts receivable	(5,984)	-	(5,984)
(Increase)/decrease in prepaid expenses	2,638	-	2,638
Increase/(decrease) in accounts payable	(10,662)	-	(10,662)
Increase/(decrease) in accrued expenses	(3,449)	-	(3,449)
Increase/(decrease) in accrued compensated absences	<u>1,855</u>	<u>-</u>	<u>1,855</u>
Net cash provided (used) by operating activities	\$ <u>(27,876)</u>	\$ <u>-</u>	\$ <u>(27,876)</u>

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

1. Summary of significant accounting policies:

The Town of Woodstock, Vermont (the Town) is a unit of local government organized under the statutes of the State of Vermont. The Town is governed by a Selectboard. The Town provides various services as authorized and funded by state government or Town voters.

- A. Reporting entity - The Town is a primary unit of government under reporting criteria established by the Governmental Accounting Standards Board (GASB). Those criteria include a separately elected governing body, separate legal standing, and fiscal independence from other state and local governmental entities. Based on these criteria, there are no other entities which are component units of the Town.

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing *Governmental Accounting and Financial Reporting Standards* which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes U.S. GAAP for governmental units.

- B. Government-wide and fund financial statements - The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the Town. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

In the Government-wide Statement of Net Position, the financial position of the Town is consolidated and incorporates capital assets as well as long-term debt and obligations. The Government-wide Statement of Activities reflects both the gross and net costs by category. Direct expenses that are clearly identifiable with the category are offset by program revenues of the category. Program revenues include charges for services provided by a particular function or program and grants that are restricted to meeting the operational or capital requirements of the particular segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds, if any, are summarized in a single column.

- C. Basis of presentation - The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund balances or net position, revenues and expenditures or expenses, as appropriate.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

1. Summary of significant accounting policies (continued):

C. Basis of presentation (continued) -

The Town reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Town. It is used to account for all financial resources, except those required to be accounted for in another fund.

Capital Reserve Fund - The Capital Reserve Fund accounts for funds reserved for a specific purpose. The Capital Reserve Fund was established to fund the Town's long-term capital budget. Committed funds represent amounts set aside for specific items approved by voters; assigned funds represent interest earnings that have been set aside for specific items by the Selectboard.

Community Development Fund - This fund accounts for the Town's revolving loan funds. The proceeds are used to issue loans that will enhance community development.

Permanent Fund - The Permanent Fund is used to account for resources held in trust by the government for the benefit of the government or its citizenry.

Irene Fund - The Irene Fund is used to account for the Town's Tropical Storm Irene recovery efforts.

The Town reports the following major proprietary fund:

Sewer Fund - The Sewer Fund is used to account for the Town's sewer operations.

The Town also reports the Unemployment Fund, a nonmajor proprietary fund, to provide funds to liquidate any unemployment claims, as the Town is self-insured for unemployment.

- D. Measurement focus and basis of accounting -** The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as they become both measurable and available. "Measurable" means the amount of the transaction that can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures generally are recorded when the fund liability is incurred, if measurable, as under accrual accounting. However, debt service expenditures are recorded only when payment is made.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

1. Summary of significant accounting policies (continued):

D. Measurement focus and basis of accounting (continued) -

ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Property taxes are recorded as revenue in the year for which taxes have been levied, provided they are collected within 60 days after year end. Licenses and permits, fines and forfeitures and miscellaneous revenues are recorded as revenues when received because they are generally not measurable prior to collection. Investment earnings and certain intergovernmental grants are recorded as earned.

E. Budgets and budgetary accounting - The Town approves a budget for the General Fund and Sewer Fund at an annual Town Meeting. The tax rate and user fees are determined by the Selectboard based on the education and municipal grand lists and the approved operating budget. The accounting method used for budget presentation is the same method used for the financial presentation of operations under U.S. GAAP. Formal budgetary integration is employed as a management control during the year for the General Fund and Sewer Fund. The Town does not legally adopt budgets for other funds.

F. Property taxes - Property taxes attach as an enforceable lien on property owned as of April 1st. Listers establish a grand list of all property and the Selectboard sets the tax rate required to raise the tax revenue authorized by Town and School District voters and the Vermont Agency of Education. Property taxes for the fiscal year ended June 30, 2015 were payable in two installments due November 2014 and May 2015.

G. Use of estimates - The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferred outflows/inflows of resources as well as disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

H. Risk management - The Town 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 others; environmental liability, and natural disasters. The Town manages these risks through commercial insurance packages and participation in public entity risk pools covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town. There were no settlements in excess of the insurance coverage in any of the past three fiscal years.

The Town is self-insured for unemployment insurance and \$105,363 has been set aside in the Unemployment Fund to liquidate any unemployment claims. While a calculation of maximum potential unemployment claims has not been made, management believes that the amount in this fund is sufficient to cover claims asserted in the normal course of business.

I. Cash, cash equivalents and investments - The Town considers all cash accounts and certificates of deposits, where the principal is not at risk for loss due to early withdrawal, to be cash and cash equivalents. Investments and unrealized gains and losses are reflected in the individual fund and government-wide financial statements. Investments of the Town are reported at fair market value.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

1. Summary of significant accounting policies (continued):

- J. Capital assets - Capital assets, which include land, buildings, equipment, vehicles and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary funds financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$3,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The Town does not retroactively report infrastructure assets. The Town began capitalizing newly acquired or constructed general infrastructure assets as of October 2004. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. Net interest costs are capitalized on projects during the construction period. Normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized. Capital assets are depreciated using the straight-line method over the useful lives shown below:

Buildings and improvements	20 - 40 years
Vehicles and equipment	4 - 15 years
Office equipment and computers	5 - 20 years
Infrastructure	25 - 40 years

- K. Deferred outflows/inflows of resources - In addition to assets and liabilities, deferred outflows of resources (previously reported as assets) and deferred inflows of resources (previously reported as liabilities), if applicable, are reported as separate sections in the Statements of Net Position and the Balance Sheet - Governmental Funds. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources in the current period. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources in the current period.

- L. Compensated absences - Employees are granted vacation leave based upon their number of years of employment with the Town. Upon retirement, termination or death, certain employees are compensated for up to a maximum of 30 days of unused vacation (subject to certain limitations) at their then current rates of pay, provided that the employee gives a minimum notice of two weeks if the employee resigns.

Full-time employees accumulate one sick day for each full calendar month of employment service. Unused sick leave may accumulate from year to year, but may not exceed 128 sick leave days. Upon retirement, termination or death, certain employees are compensated for up to a maximum of 128 days of sick leave (subject to certain limitations) at their then current rates of pay, provided that the employee gives a minimum notice of two weeks if the employee resigns.

An estimated liability for accrued compensated absences is reported in the government-wide and proprietary funds financial statements.

- M. Fund equity - In the fund financial statements, governmental funds may report five categories of fund balances: nonspendable, restricted, committed, assigned and unassigned.

Nonspendable fund balance includes amounts associated with inventory, prepaid expenditures, long-term loans or notes receivable, and trust fund principal to be held in perpetuity.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

1. Summary of significant accounting policies (continued):

M. Fund equity (continued) -

Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed fund balance includes amounts that can be used only for specific purposes determined by the Town's highest level of decision making authority, the voters, as a result of articles passed at Annual or Special Meetings.

Assigned fund balance includes amounts that are intended to be used by the Town for specific purposes as authorized by the Selectboard.

Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in another classification. Deficits are also classified as unassigned.

The Town's policy is to apply expenditures to the fund balance of the highest granted authority first.

N. New accounting standard - The Town has implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The impact on these financial statements is to include the Town's proportionate share of the Vermont Municipal Employees' Retirement System's (VMERS) net pension liability, deferred outflows of resources for pension expense, deferred inflows of resources from investment earnings and contributions, and the related effects on government-wide net position and activities. Fund financial statements have not been affected by this change.

O. Unavailable revenue - The Town has recorded, in the General Fund, unavailable revenue from property taxes and related penalties and interest which have not been collected within 60 days following year end and are not considered available for current-year operations. The Town has recorded certain grants as unavailable revenue as well as certain donations until they are expended.

2. Deposits and investments:

Custodial credit risk - deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2015, the Town's depository accounts were fully insured or collateralized.

Custodial credit risk - investments - Custodial credit risk for investments is the risk that, in the event of failure of the counterparty to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The Town does not have a policy for custodial credit risk.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

2. Deposits and investments (continued):

Custodial credit risk - investments (continued) - The classification and fair value of investments as of June 30, 2015 is as follows:

<u>Investment</u>	<u>Fair Value</u>
Corporate bonds	\$ 313,357
Corporate stock - domestic	780,010
Corporate stock - international	164,883
Mutual funds	<u>268,198</u>
	\$ <u>1,526,448</u>

Interest rate risk - Interest rate risk is the risk that changes in interest rates will affect the fair value of certain investments. The Town does not have a policy for interest rate risk. Maturities of interest-earning investments at June 30, 2015 include the Town's corporate bonds totaling \$313,357 with \$78,448 maturing in less than one year, \$182,519 maturing in one to five years, and \$52,390 maturing in six to ten years.

Credit risk - Credit risk is the risk that the issuer of or counterparty to an investment will not fulfill its obligations. The Town's investment policy regarding credit risk covers those assets held for investment in the Endowment Fund. The policy limits fixed income purchases to obligations issued by the U.S. Government or agency or by corporate issuers rated 'BBB' or better. The Town's investments in corporate bonds are subject to credit risk. The credit quality ratings as rated by Standard & Poor's are as follows:

<u>Bond Rating</u>	<u>Fair Value</u>
AA+	\$ 26,271
AA	27,137
AA-	26,275
A+	25,692
A	25,252
A-	104,370
BBB+	26,315
BBB	25,914
BBB-	<u>26,131</u>
	\$ <u>313,357</u>

Foreign currency risk - Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of a deposit or investment. The Town does not have a policy for foreign currency risk. As of June 30, 2015, \$164,883 of the Town's total investment of \$1,526,448 was invested in international equities which are subject to foreign currency risk.

3. Capital assets:

Capital asset activity for the year ended June 30, 2015, listed on the following page, was as follows:

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

3. Capital assets (continued):

	Balance <u>July 1, 2014</u>	<u>Increase</u>	<u>Decrease</u>	Balance <u>June 30, 2015</u>
Governmental activities -				
Capital assets, not depreciated:				
Land	\$ 642,570	\$ -	\$ -	\$ 642,570
Construction in process	10,395	-	10,395	-
Total capital assets, not depreciated	<u>652,965</u>	<u>-</u>	<u>10,395</u>	<u>642,570</u>
Capital assets, depreciated:				
Land improvements	-	10,922	-	10,922
Buildings and improvements	4,800,948	-	-	4,800,948
Vehicles and equipment	2,789,162	227,814	152,933	2,864,043
Office equipment and computers	492,181	54,868	3,629	543,420
Infrastructure	5,457,341	82,045	-	5,539,386
Total capital assets, depreciated	<u>13,539,632</u>	<u>375,649</u>	<u>156,562</u>	<u>13,758,719</u>
Less accumulated depreciation for:				
Land improvements	-	328	-	328
Buildings and improvements	1,799,650	123,094	-	1,922,744
Vehicles and equipment	1,333,412	205,462	72,261	1,466,613
Office equipment and computers	276,233	33,367	3,617	305,983
Infrastructure	234,301	138,327	-	372,628
Total accumulated depreciation	<u>3,643,596</u>	<u>500,578</u>	<u>75,878</u>	<u>4,068,296</u>
Total capital assets, depreciated, net	<u>9,896,036</u>	<u>(124,929)</u>	<u>80,684</u>	<u>9,690,423</u>
Capital assets, net, governmental activities	<u>10,549,001</u>	<u>(124,929)</u>	<u>91,079</u>	<u>10,332,993</u>
Business-type activities -				
Capital assets, not depreciated:				
Land	36,164	-	-	36,164
Construction in progress	27,231	-	27,231	-
Total capital assets, not depreciated	<u>63,395</u>	<u>-</u>	<u>27,231</u>	<u>36,164</u>
Capital assets, depreciated:				
Sewer treatment plant	6,324,954	369,950	-	6,694,904
Vehicles and equipment	357,975	-	-	357,975
Office equipment and computers	14,199	1,845	3,141	12,903
Total capital assets, depreciated	<u>6,697,128</u>	<u>371,795</u>	<u>3,141</u>	<u>7,065,782</u>
Less accumulated depreciation for:				
Sewer treatment plant	4,568,358	160,344	-	4,728,702
Vehicles and equipment	308,619	11,161	-	319,780
Office equipment and computers	9,587	1,145	3,136	7,596
Total accumulated depreciation	<u>4,886,564</u>	<u>172,650</u>	<u>3,136</u>	<u>5,056,078</u>
Total capital assets, depreciated, net	<u>1,810,564</u>	<u>199,145</u>	<u>5</u>	<u>2,009,704</u>
Capital assets, net, business-type activities	<u>1,873,959</u>	<u>199,145</u>	<u>27,236</u>	<u>2,045,868</u>
Capital assets, net	\$ <u>12,422,960</u>	\$ <u>74,216</u>	\$ <u>118,315</u>	\$ <u>12,378,861</u>

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

3. Capital assets (continued):

Depreciation expense of \$500,578 in the governmental activities was allocated to expenses of the general government (\$50,884), public safety (\$129,297), and public works (\$320,397) programs based on capital assets assigned to those functions.

Depreciation expense of \$172,650 in the business-type activities was fully allocated to the sewer function.

4. Interfund receivable and payable balances:

Interfund receivable and payable balances at June 30, 2015 are primarily the result of amounts owed the Capital Reserve Fund for budgeted transfers out of the General Fund and into the Capital Reserve Fund. Interfund receivable and payable balances as of June 30, 2015 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental funds -		
General Fund	\$ -	\$ 297,131
Capital Reserve Fund	298,433	-
Community Development Fund	<u>-</u>	<u>100</u>
	298,433	297,231
Proprietary funds -		
Sewer Fund	<u>-</u>	<u>1,202</u>
	\$ <u>298,433</u>	\$ <u>298,433</u>

5. Interfund transfers:

Interfund transfers constitute the transfer of resources from the fund that receives the resources to the fund that utilizes them. Interfund transfers for the year ended June 30, 2015 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental funds -		
General Fund	\$ 262,616	\$ 261,619
Capital Reserve Fund	298,219	273,934
Permanent Fund	<u>-</u>	<u>10,000</u>
	560,835	545,553
Proprietary funds -		
Sewer Fund	<u>21,318</u>	<u>36,600</u>
	\$ <u>582,153</u>	\$ <u>582,153</u>

Transfers from the General Fund and the Sewer Fund to the Capital Reserve Fund were made to commit and assign amounts for future capital expenditures. Of this total, \$272,600 represented voter committed transfers, and \$18,678 in transfers of restricted State of Vermont funds. In addition, management transferred \$6,941 from the General Fund to the Capital Reserve Fund.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

5. Interfund transfers (continued):

Transfers of \$273,934 from the Capital Reserve Fund to the General Fund and Sewer Fund were for the payment of capital expenditures in 2015 which funds had been previously set aside by voters as committed or by the Selectboard as assigned fund balance in the Capital Reserve Fund. The \$10,000 transfer from the Permanent Fund to the General Fund was for the budgeted disbursement of assets from the Permanent Fund.

6. Related party:

The Town shares common personnel, office facilities and equipment with the Village of Woodstock. Shared costs are billed and paid within normal payment cycles. As of June 30, 2015, amounts due from the Village of Woodstock were \$2,615.

7. Police services:

The Town and the Village of Woodstock (the Village) have entered into an agreement for the Village to provide police services to the Town for the geographic region located in the Town of Woodstock, but outside of the Village. The Town paid the Village \$167,455 for these services which are based on budgeted amounts and additional services of \$116,242 for a total of \$283,697.

8. Debt:

Short-term - The Town's 2011 current expense note in the amount of \$3,000,000 for Irene Disaster Relief was extended to mature June 30, 2014 with interest of 0.95%. The 2013 balance of \$2,000,000 was reduced in 2014 by payment of \$1,000,000 with interest of \$9,363. The Town refinanced the remaining \$1,000,000 balance by executing a new note for \$1,000,000 with interest of 0.95% to mature June 30, 2015. During the year ended June 30, 2015, the Town paid the remaining \$1,000,000 balance on the note due June 30, 2015 plus interest of \$9,110.

Long-term - Outstanding long-term debt as of June 30, 2015 is as follows:

Governmental activities -

Vermont Municipal Bond Bank - 2006 Series 1 (refunded by a 2014 Series 4), for construction of highway garage, payable in annual principal and semi-annual interest payments through November 2026 with a net interest cost of 4.67%.	\$ 840,000
Bond payable, for remaining local portion of prior Tropical Storm Irene damage, payable in annual principal and interest payments through July 2030 with interest at 2.49%.	669,000
Bond payable, for Little Theater improvements, payable in annual principal and semi-annual interest payments through May 2032 at 3.00% interest.	187,000
Note payable, for dump truck, payable in semi-annual principal and interest payments through July 2015 at 1.99% interest.	9,043
Note payable, for backhoe, payable in annual principal and interest payments through July 2016 at 1.92% interest.	16,845
Note payable, for international truck, payable in annual principal and interest payments through September 2016 at 2.243% interest.	19,936

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

8. Debt (continued):

Long-term (continued) -

Governmental activities (continued) -

Note payable, for loader, payable in annual principal and interest payments through August 2016 at 2.35% interest.	30,693
Note payable, for grader, payable in annual principal and interest payments through July 2017 at 1.74% interest.	71,860
Note payable, for gator, payable in annual principal and interest payments through December 2018 at 2.242% interest.	18,000
Note payable, for dump truck, payable in annual principal and interest payments through July 2018 at 1.65% interest.	75,000
Note payable, for police cruiser, payable in annual principal and interest payments through July 2018 at 1.65% interest.	30,000
Compensated absences	<u>236,148</u>
	<u>2,203,525</u>

Business-type activities -

Vermont Municipal Bond Bank - RF1-037, for sewer infrastructure improvements, payable in annual principal payments through January 2021 at 0.00% interest.	226,050
Compensated absences	<u>61,811</u>
	<u>287,861</u>
	<u>\$ 2,491,386</u>

Long-term debt activity for the year ended June 30, 2015 was as follows:

	Balance July 1, <u>2014</u>	<u>Additions</u>	<u>Retirements</u>	Balance June 30, <u>2015</u>	Due Within <u>One Year</u>
Governmental activities -					
Highway garage	\$ 910,000	\$ -	\$ 70,000	\$ 840,000	\$ 70,000
Tropical Storm Irene	-	669,000	-	669,000	-
Little Theater	198,000	-	11,000	187,000	11,000
Equipment note - Dump truck	26,860	-	17,817	9,043	9,043
Equipment note - Backhoe	33,373	-	16,528	16,845	-
Equipment note - 2013 Int'l truck	29,572	-	9,636	19,936	9,860
Equipment note - Loader	45,514	-	14,821	30,693	15,170
Equipment note - Grader	95,000	-	23,140	71,860	23,542
Equipment note - Gator	-	18,000	-	18,000	4,373
Equipment note - Dump truck	-	75,000	-	75,000	18,750
Equipment note - Cruiser	-	30,000	-	30,000	7,500
Equipment note - Old cruiser	6,218	-	6,218	-	-
Compensated absences	<u>251,374</u>	<u>-</u>	<u>15,226</u>	<u>236,148</u>	<u>-</u>
	<u>1,595,911</u>	<u>792,000</u>	<u>184,386</u>	<u>2,203,525</u>	<u>169,238</u>

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

8. Debt (continued):

Long-term (continued) -

	Balance July 1, <u>2014</u>	<u>Additions</u>	<u>Retirements</u>	Balance June 30, <u>2015</u>	Due Within <u>One Year</u>
Business-type activities -					
Sewer fund bond	263,725	-	37,675	226,050	37,675
Compensated absences	<u>59,956</u>	<u>1,855</u>	<u>-</u>	<u>61,811</u>	<u>-</u>
	<u>323,681</u>	<u>1,855</u>	<u>37,675</u>	<u>287,861</u>	<u>37,675</u>
	\$ <u>1,919,592</u>	\$ <u>793,855</u>	\$ <u>222,061</u>	\$ <u>2,491,386</u>	\$ <u>206,913</u>

Debt service requirements to maturity are as follows:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
Year ending June 30,				
2016	\$ 169,238	\$ 35,935	\$ 37,675	\$ -
2017	222,686	59,152	37,675	-
2018	180,760	49,577	37,675	-
2019	156,493	43,912	37,675	-
2020	125,600	38,816	37,675	-
2021-2025	628,000	122,005	37,675	-
2026-2030	418,000	31,640	-	-
2031-2032	<u>66,600</u>	<u>2,101</u>	<u>-</u>	<u>-</u>
	\$ <u>1,967,377</u>	\$ <u>383,138</u>	\$ <u>226,050</u>	\$ <u>-</u>

9. Fund balances:

As of June 30, 2015, the fund balance of the governmental funds consisted of the following:

	<u>General Fund</u>	<u>Capital Reserve Fund</u>	<u>Permanent Fund</u>	<u>Totals</u>
Nonspendable:				
Prepaid expenditures	\$ 21,087	\$ -	\$ -	\$ 21,087
Endowment principal	<u>-</u>	<u>-</u>	<u>1,225,341</u>	<u>1,225,341</u>
	<u>21,087</u>	<u>-</u>	<u>1,225,341</u>	<u>1,246,428</u>

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

9. Fund balances (continued):

	General	Capital	Permanent	
	Fund	Reserve	Fund	Totals
	Fund	Fund	Fund	
Restricted for:				
Fireworks	4,043	-	-	4,043
Listers' education	210	1,052	-	1,262
Grand list reappraisal	18,687	70,536	-	89,223
Benefit of the Town	-	-	678,783	678,783
	<u>22,940</u>	<u>71,588</u>	<u>678,783</u>	<u>773,311</u>
Committed to:				
Capital projects and equipment	-	634,252	-	634,252
Capital projects and equipment - sewer	-	404,502	-	404,502
	<u>-</u>	<u>1,038,754</u>	<u>-</u>	<u>1,038,754</u>
Assigned to:				
Forest improvement	76,932	-	-	76,932
Fireworks	740	-	-	740
Police training	8,000	-	-	8,000
Police equipment	2,000	-	-	2,000
Police cruiser	1,000	-	-	1,000
Accrued benefits	34,215	-	-	34,215
Capital projects and equipment	-	231,327	-	231,327
Capital projects and equipment - sewer	-	97,290	-	97,290
	<u>122,887</u>	<u>328,617</u>	<u>-</u>	<u>451,504</u>
Unassigned	<u>71,839</u>	<u>8,921</u>	<u>-</u>	<u>80,760</u>
	<u>\$ 238,753</u>	<u>\$ 1,447,880</u>	<u>\$ 1,904,124</u>	<u>\$ 3,590,757</u>

For the year ended June 30, 2015, the changes in the Capital Reserve Fund's committed and assigned fund balances were as follows:

	Balance			Reallocations	Balance
	July 1,	Transfers	Transfers	and	June 30,
	2014	In	Out	Interest	2015
General expenditures:					
Listers' education	\$ 649	\$ 403	\$ -	\$ -	\$ 1,052
Grand list reappraisal	<u>123,648</u>	<u>18,275</u>	<u>71,387</u>	<u>-</u>	<u>70,536</u>
Total restricted general expenditures	<u>124,297</u>	<u>18,678</u>	<u>71,387</u>	<u>-</u>	<u>71,588</u>
Town Hall construction	58,757	20,000	14,912	-	63,845
Recycling	452	-	-	-	452
Planning and zoning regulations	1,338	-	1,338	-	-
Town plan consulting	1,000	1,000	-	-	2,000
Grand list update	92,158	-	-	-	92,158
Office equipment	13,359	1,500	-	-	14,859

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

9. Fund balances (continued):

	Balance July 1, 2014	Transfers In	Transfers Out	Reallocations and Interest	Balance June 30, 2015
General expenditures (continued):					
Town Clerk vault	30,750	1,500	-	-	32,250
Computer equipment	9,801	2,500	968	-	11,333
Lister's equipment	7,237	1,000	100	-	8,137
Town Clerk office equipment	1,500	-	-	-	1,500
Trucks	101,653	50,000	62,254	-	89,399
Backhoe	781	-	-	-	781
Manager's pick-up	6,210	1,500	-	-	7,710
Highway pick-up	4,377	-	-	-	4,377
Paving	-	10,000	-	-	10,000
Bridge construction	97,794	50,000	57,765	-	90,029
Ambulance	81,936	50,000	-	-	131,936
Cardiac monitors	15,000	20,000	27,464	-	7,536
Pave ESB Lot	859	-	-	-	859
Generator - Fire Department	175	-	-	-	175
Fire truck	20,000	20,000	-	-	40,000
Fire pager replacement	3,142	1,000	2,268	-	1,874
Communications	11,580	6,000	-	-	17,580
Communications computer	5,462	-	-	-	5,462
Total committed general expenditures	565,321	236,000	167,069	-	634,252
Restoration of records	83,235	6,941	-	1	90,177
Road improvements	3,224	-	-	-	3,224
Bridge construction	15,000	-	-	-	15,000
Storm drains	8,402	-	-	-	8,402
Salt and sand	2,647	-	-	-	2,647
Vail Field improvements	75,000	-	-	-	75,000
Bunker gear	3,837	-	3,238	-	599
Air packs	1,600	-	-	-	1,600
Selectboard contingency	45,600	-	10,922	-	34,678
Assigned general capital expenditures	2,239	-	-	(2,239)	-
Total assigned general expenditures	240,784	6,941	14,160	(2,238)	231,327
Unassigned	-	-	-	2,307	2,307
Total general expenditures	930,402	261,619	252,616	69	939,474
Sewer expenditures:					
I.I. Study	20,000	-	-	-	20,000
Pick-up truck	10,089	3,000	-	-	13,089
Dechlorination equipment	1,214	-	-	-	1,214
Tractor	76,336	5,000	-	-	81,336
Manager's pick-up - sewer	2,823	600	-	-	3,423
Test/monitor wells	4,508	-	-	-	4,508
Sludge disposal truck	210,378	3,000	-	-	213,378
Repairs and maintenance - sewer	(7,141)	20,000	12,859	-	-
Ton truck - sewer	8,858	5,000	-	-	13,858

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

9. Fund balances (continued):

	Balance July 1, 2014	Transfers In	Transfers Out	Reallocations and Interest	Balance June 30, 2015
Sewer expenditures (continued):					
Line flusher	40,000	-	-	-	40,000
TV camera	10,000	-	-	-	10,000
Sewer line maintenance	3,696	-	-	-	3,696
Total committed sewer expenditures	380,761	36,600	12,859	-	404,502
Dechlorination equipment	4,000	-	-	-	4,000
Repairs and maintenance - sewer	4,000	-	4,000	-	-
Assigned sewer capital expenditures	104,333	-	-	(11,043)	93,290
Total assigned sewer expenditures	112,333	-	4,000	(11,043)	97,290
Unassigned	-	-	4,459	11,073	6,614
Total sewer expenditures	493,094	36,600	21,318	30	508,406
Total Capital Reserve Fund	\$ 1,423,496	\$ 298,219	\$ 273,934	\$ 99	\$ 1,447,880

10. Pension plan:

Vermont Municipal Employees' Retirement System -

Plan description: The Town contributes to the Vermont Municipal Employees' Retirement System (VMERS) a cost-sharing multiple-employer public employee retirement system with defined benefit and defined contribution plans, administered by the State of Vermont. The state statutory provisions, found in Title 24, Chapter 125, of the V.S.A., govern eligibility for benefits, service requirements and benefit provisions. The general administration and responsibility for the proper operation of VMERS is vested in the Board of Trustees consisting of five members. VMERS issues annual financial information which is available and may be reviewed at the VMERS' office, 109 State Street, Montpelier, Vermont, 05609-6901 or by calling (802) 828-2305. Information can also be obtained online by visiting the following web address: <http://www.vermonttreasurer.gov/retirement/municipal-vmers>.

Benefits provided: VMERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits do vary between the three groups included in the plan, but are determined for the members of each group as a percentage of average compensation in a certain number of the highest consecutive years of service. Eligibility for benefits requires five years of service.

Contributions: Defined Benefit Plan members are required to contribute 2.5% (Group A), 4.750% (Group B), or 9.75% (Group C) of their annual covered salary, and the Town is required to contribute 4% (Group A), 5.375% (Group B), or 7.0% (Group C) of the employees' compensation. The contribution requirements of plan members and the Town are established and may be amended by the Board of Trustees. The Town's contributions to VMERS for the years ended June 30, 2015, 2014, and 2013 were \$65,619, \$62,861, and \$63,582, respectively. The amounts contributed were equal to the required contributions for each year.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

10. Pension plan (continued):

Vermont Municipal Employees' Retirement System (continued) -

Pension liabilities, deferred outflows of resources, deferred inflows of resources: In 2015, the Town implemented a change in governmental accounting and reporting which was mandated by the Governmental Accounting Standards Board in GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The impact on these financial statements is to include the Town's proportionate share of the Vermont Municipal Employees' Retirement System's net pension liability, deferred outflows of resources for pension expense, deferred inflows of resources from investment earnings and contributions, and the related effects on government-wide net position and activities. Financial statements of the individual governmental funds have not been affected by the change in 2015, but may be affected by certain estimates or accruals in future years. The State of Vermont has provided the following information to all employers participating in VMERS, which is based on their calculation of the Town and Village of Woodstock's combined 0.7083% proportionate share of VMERS. In addition, Town management has estimated 0.3439% and 0.0909% of the total VMERS net pension liability to be attributable to governmental activities of the Town and the Town Sewer Department, respectively. As discussed in note 1, the Town reports sewer fund activity in a proprietary fund. Management has estimated that the Village of Woodstock has a 0.2735% proportionate share of the total VMERS net pension liability.

	Town Excluding Sewer Department	Sewer Department
Town share of VMERS net pension liability	\$ <u>31,384</u>	\$ <u>8,294</u>
Deferred outflow of resources - Deferred pension expense	\$ <u>51,232</u>	\$ <u>14,387</u>
Deferred inflow of resources - Deferred pension credits	\$ <u>102,410</u>	\$ <u>27,063</u>

Other information: VMERS obtains an annual actuarial valuation for the pension plan. Detailed information is provided in that report for actuarial assumptions of inflation rates, salary increases, investment rates of return, mortality rates, discount rates, and the calculations used to develop annual contributions and the VMERS net position.

Required supplementary information: Implementation of GASB Statement No. 68 requires reporting of ten years of historical pension information by employers. This information will be built up by year for the next ten years in schedules of the *Town's Proportionate Share of Net Pension Liability of VMERS* and *Town Contributions to VMERS*. The required information the year ended June 30, 2015 can be found on the following page.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

10. Pension plan (continued):

Vermont Municipal Employees' Retirement System (continued) -

	Town Excluding Sewer <u>Department</u>	Sewer <u>Department</u>
Town's proportion of the net pension liability	0.3439%	0.0909%
Town's proportionate share of the net pension liability	\$ 31,384	\$ 8,294
Town's covered-employee payroll	\$ 783,589	\$ 220,053
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	4.0052%	3.7691%
VMERS net position as a percentage of the total pension liability	98.32%	98.32%
Contractually required contribution (fully paid)	\$ 51,232	\$ 14,387
Contributions as a percentage of covered-employee payroll	6.5381%	6.5380%

11. Note receivable:

The Town, through various federal and state loan programs, has received grants and advanced funds to encourage community development. At June 30, 2015 the Town had \$411,034 outstanding on a note receivable, with a security interest in the real and personal property, due March 2045 with no interest.

Subsequent to year end, the Town loaned an additional \$583,966 on this note for a total outstanding note receivable balance of \$995,000.

12. Commitments:

The Town has entered into an agreement with the Woodstock School District for use of the facilities of the Woodstock Elementary School in the event of a community emergency. The agreement is binding until March 2034 and specifies that future rent increases shall be by mutual consent of both parties. For the year ended June 30, 2015, the Town has recorded lease expense of \$92,000 related to this agreement.

In May 2015 the Town entered into an agreement for repair work to be done to a Town Hall entrance. This work began in July 2015 and is anticipated to finish sometime in the fall of 2015 for an estimated cost of \$80,925.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

13. Restatements:

The Town has restated beginning net position of the governmental activities of the government-wide financial statements from \$11,864,256 to \$12,169,735 which is an increase of \$305,479 due to a prior year capital asset that was not recorded, totaling \$405,540, that increases beginning net position and a decrease to beginning net position totaling \$100,061 to record the change in accounting for the Town's proportionate share of the VMERS pension plan.

The Town has also restated beginning net position of the business-type activities of the government-wide financial statements and of the proprietary funds from \$2,694,705 to \$2,669,600 which is a decrease of \$25,105 due to the change in accounting principles in connection with the implementation of GASB Statement No. 68.

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 1
Page 1 of 12

	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
REVENUES:			
Property taxes -			
Current (net of taxes abated)	\$ 3,254,807	\$ 3,291,614	\$ 36,807
In lieu of taxes and land use	<u>226,000</u>	<u>256,492</u>	<u>30,492</u>
Total property taxes	<u>3,480,807</u>	<u>3,548,106</u>	<u>67,299</u>
Licenses and permits -			
Licenses and fees	65,000	51,766	(13,234)
Boards and agencies	<u>12,000</u>	<u>12,690</u>	<u>690</u>
Total licenses and permits	<u>77,000</u>	<u>64,456</u>	<u>(12,544)</u>
Intergovernmental -			
Highway State Aid	133,000	197,930	64,930
Miscellaneous State of Vermont	-	18,757	18,757
Grants	<u>-</u>	<u>38,647</u>	<u>38,647</u>
Total intergovernmental	<u>133,000</u>	<u>255,334</u>	<u>122,334</u>
Charges for services -			
False alarms and permits	10,000	7,665	(2,335)
Ambulance services	420,000	331,481	(88,519)
Police fees	<u>64,730</u>	<u>64,730</u>	<u>-</u>
Total charges for services	<u>494,730</u>	<u>403,876</u>	<u>(90,854)</u>
Fines and forfeits -			
Moving violations	4,000	-	(4,000)
Delinquent tax penalties and interest	<u>130,000</u>	<u>133,511</u>	<u>3,511</u>
Total fines and forfeits	<u>134,000</u>	<u>133,511</u>	<u>(489)</u>
Investment income	<u>500</u>	<u>204</u>	<u>(296)</u>
Miscellaneous -			
Rental income	11,700	14,040	2,340
Miscellaneous	<u>5,200</u>	<u>82,163</u>	<u>76,963</u>
Total miscellaneous	<u>16,900</u>	<u>96,203</u>	<u>79,303</u>
Total revenues	<u>4,336,937</u>	<u>4,501,690</u>	<u>164,753</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 1
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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES:			
General Government -			
Town Selectboard:			
Legislating -			
Salaries and wages	5,000	5,000	-
Benefits	350	383	33
RCD	100	-	(100)
Community television	2,400	1,000	(1,400)
Coalition of municipality	250	-	(250)
Dues, subscriptions, and meetings	5,700	4,315	(1,385)
Total legislating	<u>13,800</u>	<u>10,698</u>	<u>(3,102)</u>
Printing orders and proceedings -			
Printing and binding	<u>3,500</u>	<u>4,335</u>	<u>835</u>
Legal -			
Professional services	<u>4,700</u>	<u>5,045</u>	<u>345</u>
Total Town Selectboard	<u>22,000</u>	<u>20,078</u>	<u>(1,922)</u>
Town Executive Department:			
Managing municipality -			
Salaries and wages	88,400	91,926	3,526
Benefits	29,800	33,300	3,500
Dues, subscriptions, and meetings	1,200	1,224	24
Total Town Executive Department	<u>119,400</u>	<u>126,450</u>	<u>7,050</u>
Town Administration:			
Office supplies	3,800	3,152	(648)
Operating supplies	3,500	2,679	(821)
Postage	4,000	3,950	(50)
Equipment maintenance	1,800	3,016	1,216
Machinery and equipment	1,200	1,155	(45)
Communication	3,500	3,472	(28)
Advertising	2,500	2,166	(334)
Total Town Administration	<u>20,300</u>	<u>19,590</u>	<u>(710)</u>
Town Finance Department:			
Treasurer -			
Salaries and wages	16,000	16,000	-
Benefits	1,200	1,224	24
Travel and transportation	2,200	2,368	168
Dues, subscriptions, and meetings	100	20	(80)
Total Treasurer	<u>19,500</u>	<u>19,612</u>	<u>112</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 1
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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
General Government (continued) -			
Town Finance Department (continued):			
Accounting and Bookkeeping -			
Salaries and wages	40,600	41,833	1,233
Benefits	12,600	11,598	(1,002)
Other purchased services	800	687	(113)
Professional services	200	101	(99)
Software upgrades	100	-	(100)
Total accounting and bookkeeping	<u>54,300</u>	<u>54,219</u>	<u>(81)</u>
Auditing -			
Professional services	<u>17,000</u>	<u>17,000</u>	<u>-</u>
Tax Listing -			
Salaries and wages	71,400	70,701	(699)
Benefits	32,400	35,608	3,208
Operating supplies	150	9	(141)
Dues, subscriptions, and meetings	700	789	89
Professional services	200	-	(200)
Travel and transportation	500	142	(358)
Other purchased services	350	315	(35)
Repairs and maintenance	100	-	(100)
Licensed state support	350	239	(111)
Total tax listing	<u>106,150</u>	<u>107,803</u>	<u>1,653</u>
Tax Collecting -			
Salaries and wages	14,260	14,975	715
Benefits	5,000	5,518	518
Total tax collecting	<u>19,260</u>	<u>20,493</u>	<u>1,233</u>
Total Town Finance Department	<u>216,210</u>	<u>219,127</u>	<u>2,917</u>
Town Administration Department:			
Town Clerk -			
Salaries and wages	56,400	53,316	(3,084)
Assistant Town Clerk wages	13,000	12,673	(327)
Benefits	24,600	22,594	(2,006)
Record retention	3,200	711	(2,489)
Other purchased services	100	-	(100)
Dues, subscriptions, and meetings	400	566	166
Machinery and equipment	500	-	(500)
Copier lease	950	476	(474)
Restoration of records	50	-	(50)
Office supplies	250	208	(42)
Total Town Clerk	<u>99,450</u>	<u>90,544</u>	<u>(8,906)</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 1
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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
General Government (continued) -			
Town Administration Department (continued):			
Board of Civil Authority -			
Salaries and wages, including volunteers	800	247	(553)
Election wages	2,000	1,528	(472)
Office/printing supplies	5,000	5,523	523
Total Board of Civil Authority	<u>7,800</u>	<u>7,298</u>	<u>(502)</u>
Total Town Administration Department	<u>107,250</u>	<u>97,842</u>	<u>(9,408)</u>
Municipal Planning and Zoning:			
Salaries and wages	69,200	67,122	(2,078)
Benefits	32,900	29,740	(3,160)
Advertising	2,500	1,577	(923)
Dues, subscriptions, and meetings	5,700	3,238	(2,462)
Travel and transportation	3,000	3,871	871
Professional services	750	233	(517)
Conservation Commission	500	507	7
Equipment purchase	250	-	(250)
GIS mapping	100	-	(100)
Total Municipal Planning and Zoning	<u>114,900</u>	<u>106,288</u>	<u>(8,612)</u>
Town Plant and Equipment:			
Building and maintenance - Town Hall -			
Custodial services	18,000	8,129	(9,871)
Operating supplies	3,000	2,086	(914)
Small tools and equipment	500	195	(305)
Other purchased services	7,500	9,292	1,792
Repair and maintenance	8,000	6,896	(1,104)
Utilities	42,000	47,352	5,352
Improvements	1,000	300	(700)
Total Town Plant and Equipment	<u>80,000</u>	<u>74,250</u>	<u>(5,750)</u>
Town Contingency Department:			
Unclassified	30,000	9,660	(20,340)
House numbers	500	536	36
Insurance	115,000	159,138	44,138
Total Town Contingency Department	<u>145,500</u>	<u>169,334</u>	<u>23,834</u>
Total General Government expenditures	<u>825,560</u>	<u>832,959</u>	<u>7,399</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 1
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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
Public Safety -			
Town Constables:			
Crime investigation control -			
Salaries and wages	5,000	4,439	(561)
Benefits	400	310	(90)
Operating supplies	500	639	139
Office supplies	200	12	(188)
Repair and maintenance supplies	100	314	214
Communications	200	-	(200)
Other purchased services	200	115	(85)
Machinery and equipment	200	-	(200)
Mileage - Blue Light	700	58	(642)
Total Town Constables	<u>7,500</u>	<u>5,887</u>	<u>(1,613)</u>
Town Communications Department:			
Salaries and wages	195,000	221,184	26,184
Training wages	1,500	1,919	419
Residency stipend	2,000	1,262	(738)
EMT stipend	1,000	706	(294)
Benefits	50,000	67,510	17,510
Office supplies	1,300	1,349	49
Repairs and maintenance supplies	500	493	(7)
Small tools and equipment	400	345	(55)
Communications	3,600	5,186	1,586
Tower rent	3,000	3,037	37
Tower maintenance	200	452	252
Repairs and maintenance	900	890	(10)
Machinery and equipment	800	668	(132)
Training/tuition	300	-	(300)
Travel and transportation	550	165	(385)
Operating supplies	1,000	1,068	68
Total Town Communications Department	<u>262,050</u>	<u>306,234</u>	<u>44,184</u>
Town Fire Department:			
Firefighting -			
Salaries and wages	90,000	68,996	(21,004)
Benefits	6,800	5,278	(1,522)
Operating supplies	2,500	1,245	(1,255)
Dues, subscriptions, and meetings	900	975	75
Professional services	2,000	1,924	(76)
Medical testing	750	90	(660)
CDL licensing	500	145	(355)
Travel and transportation	200	-	(200)
Fire prevention	1,000	260	(740)
Education	4,500	2,079	(2,421)

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 1
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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
Public Safety (continued) -			
Town Fire Department (continued):			
Firefighting (continued) -			
Hydrant rental	27,000	21,630	(5,370)
Winter hydrant maintenance	3,600	3,500	(100)
Total firefighting	<u>139,750</u>	<u>106,122</u>	<u>(33,628)</u>
Fire communications -			
Alarm registration	1,500	-	(1,500)
Communications	2,400	2,854	454
Repairs and maintenance	2,400	2,946	546
Machinery and equipment	500	2,287	1,787
Total fire communications	<u>6,800</u>	<u>8,087</u>	<u>1,287</u>
Fire truck and equipment -			
Operating supplies	1,200	592	(608)
Repairs and maintenance	2,000	1,326	(674)
Fuel	2,800	1,786	(1,014)
Engine/Tanker maintenance	9,500	9,205	(295)
Total fire truck and equipment	<u>15,500</u>	<u>12,909</u>	<u>(2,591)</u>
Fire fighting equipment -			
Operating supplies	500	80	(420)
Rescue equipment	800	1,214	414
Air pack maintenance and equipment	2,000	2,332	332
Bunker gear	6,000	1,114	(4,886)
Hose and hose adapters	3,000	438	(2,562)
Small tools and equipment	400	421	21
Equipment maintenance and reserve	1,000	172	(828)
Equipment purchase	2,000	1,094	(906)
Total fire fighting equipment	<u>15,700</u>	<u>6,865</u>	<u>(8,835)</u>
Woodstock Station #2 -			
Maintenance supplies	150	132	(18)
Repairs and maintenance	2,400	4,086	1,686
Propane	2,000	1,338	(662)
Electricity	900	754	(146)
Utilities	1,300	2,281	981
Total Woodstock Station #2	<u>6,750</u>	<u>8,591</u>	<u>1,841</u>
Total Town Fire Department	<u>184,500</u>	<u>142,574</u>	<u>(41,926)</u>
Town Ambulance Department:			
Operations -			
Salaries and wages, including volunteer services	56,700	29,279	(27,421)
Associates' salaries	180,000	201,801	21,801

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
Public Safety (continued) -			
Town Ambulance Department (continued):			
Operations (continued) -			
Benefits	6,500	5,865	(635)
Office supplies	2,400	3,122	722
Operating supplies	28,000	21,399	(6,601)
Repairs and maintenance supplies	100	103	3
Paramedic supplies	2,200	2,219	19
Other purchased services	6,000	5,108	(892)
Dues, subscriptions, and meetings	500	499	(1)
Uncollectible accounts	200	5,783	5,583
Personal protection equipment	2,500	1,627	(873)
Contract services	-	17,867	17,867
Paramedic intercept	6,000	12,005	6,005
Medical testing	300	-	(300)
Total operations	<u>291,400</u>	<u>306,677</u>	<u>15,277</u>
Vehicle maintenance -			
Small tools and equipment	800	1,363	563
Repair and maintenance	9,500	8,343	(1,157)
Fuel	9,000	5,428	(3,572)
Travel and transportation	-	923	923
Total vehicle maintenance	<u>19,300</u>	<u>16,057</u>	<u>(3,243)</u>
Training -			
Operating supplies	1,000	254	(746)
Small tools and equipment	300	-	(300)
Dues, subscriptions and meetings	200	200	-
Professional services	1,500	1,274	(226)
State EMS training	8,000	3,946	(4,054)
Travel and transportation	500	241	(259)
Total training	<u>11,500</u>	<u>5,915</u>	<u>(5,585)</u>
Communications -			
Office phone and internet	800	1,692	892
Vehicle cell phones	1,000	310	(690)
Pagers	2,000	224	(1,776)
Portable radios	2,000	128	(1,872)
Vehicle mobile radios	1,000	463	(537)
Total communications	<u>6,800</u>	<u>2,817</u>	<u>(3,983)</u>
Total Town Ambulance Department	<u>329,000</u>	<u>331,466</u>	<u>2,466</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 1
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	Original and Final Budget	Actual (Budgetary Basis)	Variance Over (Under)
EXPENDITURES (CONTINUED):			
Public Safety (continued) -			
Emergency Services Department:			
Maintenance supplies	1,000	743	(257)
Painting exterior of ESB	10,000	9,762	(238)
Equipment repair and maintenance	7,000	11,463	4,463
Building custodian	4,400	3,775	(625)
Propane	3,200	6,443	3,243
Electricity	8,000	9,807	1,807
Utilities	1,600	2,441	841
Total Emergency Services Department	35,200	44,434	9,234
Town Police Department:			
Salaries and wages	70,000	65,617	(4,383)
Employer paid benefits	26,800	31,413	4,613
Training wages	1,200	1,417	217
Stipend	2,600	173	(2,427)
Training paid benefits	200	102	(98)
Uniform service	1,300	963	(337)
Repairs and maintenance of vehicles	2,500	1,987	(513)
Small tools and equipment	500	499	(1)
4x4 Vehicle lease	6,500	6,338	(162)
4x4 Radio, Lights, Radar	700	5,520	4,820
Fuel	6,500	1,950	(4,550)
Tuition	750	263	(487)
Total Town Police Department	119,550	116,242	(3,308)
Amounts paid to Village for police services	167,455	167,455	-
Total Town Police Services	287,005	283,697	(3,308)
Total Public Safety expenditures	1,105,255	1,114,292	9,037
Public Works -			
Highways and Streets:			
Highway maintenance -			
Salaries and wages	242,600	245,541	2,941
Overtime	35,000	41,425	6,425
Benefits	115,000	98,118	(16,882)
Office supplies	250	217	(33)
Operating supplies	28,000	26,599	(1,401)
Small tools and equipment	500	50	(450)
Communications	2,250	1,012	(1,238)
Other purchased services	20,000	22,412	2,412
Professional services	1,000	1,144	144
Rentals	500	-	(500)

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 1
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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
Public Works (continued) -			
Highways and Streets (continued):			
Highway maintenance (continued) -			
Travel and transportation (fuel)	66,000	65,120	(880)
Spot gravel	80,000	79,470	(530)
Road stabilization	20,000	29,491	9,491
Pavement patch	1,000	931	(69)
Salt and sand	<u>105,000</u>	<u>160,311</u>	<u>55,311</u>
Total highway maintenance	<u>717,100</u>	<u>771,841</u>	<u>54,741</u>
Construction -			
Other purchased services	5,000	8,463	3,463
Rentals	500	-	(500)
Unclassified	<u>10,000</u>	<u>10,050</u>	<u>50</u>
Total construction	<u>15,500</u>	<u>18,513</u>	<u>3,013</u>
Maintenance of storm drains -			
Culverts and drains	<u>6,000</u>	<u>5,223</u>	<u>(777)</u>
Construction and maintenance of bridges -			
Operating supplies	2,000	-	(2,000)
Repair and maintenance supplies	6,000	3,665	(2,335)
Other purchased services	6,000	1,987	(4,013)
Bridge rehabilitation and miscellaneous	30,000	35,385	5,385
Rentals	500	-	(500)
Engineering services	<u>1,000</u>	<u>833</u>	<u>(167)</u>
Total construction and maintenance of bridges	<u>45,500</u>	<u>41,870</u>	<u>(3,630)</u>
Traffic control -			
Operating supplies	2,750	1,735	(1,015)
Equipment repairs and maintenance	<u>500</u>	<u>59</u>	<u>(441)</u>
Total traffic control	<u>3,250</u>	<u>1,794</u>	<u>(1,456)</u>
Street lights -			
Utilities	<u>13,200</u>	<u>11,020</u>	<u>(2,180)</u>
Equipment maintenance and purchase -			
Repairs and maintenance supplies	40,000	48,589	8,589
Small tools and equipment	1,000	-	(1,000)
Communications	500	-	(500)
Operating supplies	7,000	6,438	(562)
Backhoe note	17,200	17,168	(32)
Loader note	17,000	15,892	(1,108)
Grader note	<u>25,000</u>	<u>24,792</u>	<u>(208)</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 1
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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
Public Works (continued) -			
Highways and Streets (continued):			
Equipment maintenance and purchase (continued) -			
Ton truck note	14,000	-	(14,000)
Dump truck notes	39,700	28,567	(11,133)
Other purchased services	4,000	3,679	(321)
Total equipment maintenance and purchase	<u>165,400</u>	<u>145,125</u>	<u>(20,275)</u>
Public Works building -			
Repairs and maintenance	1,250	3,488	2,238
Utilities	18,800	17,271	(1,529)
Bond payment - principal	70,000	70,000	-
- interest	41,000	38,033	(2,967)
Total Public Works building	<u>131,050</u>	<u>128,792</u>	<u>(2,258)</u>
Total Highway and Streets expenditures	<u>1,097,000</u>	<u>1,124,178</u>	<u>27,178</u>
Cemetery:			
Other purchased services	14,000	14,000	-
Repairs and maintenance	1,000	1,000	-
Total Cemetery expenditures	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Sanitation:			
Sanitation	38,600	38,557	(43)
Total Public Works expenditures	<u>1,150,600</u>	<u>1,177,735</u>	<u>27,135</u>
Culture and Recreation -			
Culture and Recreation:			
Woodstock Council on Aging	10,000	10,000	-
Parades	1,500	1,311	(189)
Pentangle	32,500	32,500	-
Little Theatre - principal	11,000	11,000	-
- interest	6,600	5,945	(655)
Woodstock Recreation Department	267,225	267,225	-
Grants, subsidies and contributions, Town Library	136,500	136,500	-
Fireworks	7,500	7,500	-
July 4th celebration	-	5,652	5,652
Professional services	-	4,274	4,274
Elementary school space rent	92,000	92,000	-
Total culture and recreation	<u>564,825</u>	<u>573,907</u>	<u>9,082</u>
Public Health Services:			
Salaries and wages	5,500	5,500	-
Benefits	400	421	21
Water testing supplies	100	-	(100)

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 1
Page 11 of 12

	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
Culture and Recreation (continued) -			
Public Health Services (continued):			
Dues, subscriptions, and meetings	100	-	(100)
Travel and transportation	100	-	(100)
Total public health services	<u>6,200</u>	<u>5,921</u>	<u>(279)</u>
Total Culture and Recreation expenditures	<u>571,025</u>	<u>579,828</u>	<u>8,803</u>
Comfort Station -			
Maintenance supplies	2,500	2,055	(445)
Custodial services	19,000	18,200	(800)
Propane	1,000	439	(561)
Electricity	900	682	(218)
Miscellaneous utilities	1,500	3,812	2,312
Building repairs and maintenance	1,800	3,744	1,944
Total Comfort Station expenditures	<u>26,700</u>	<u>28,932</u>	<u>2,232</u>
Intergovernmental -			
Highway rebate	<u>220,000</u>	<u>226,668</u>	<u>6,668</u>
Special Articles -			
Trustee of Public Fund Wages	3,000	3,050	50
Trust fund audit	1,500	1,500	-
Woodstock Area Job Bank	3,000	3,000	-
Woodstock Council on Aging	30,000	30,000	-
Visiting Nurses	24,900	24,900	-
Windsor County Partners	2,500	2,500	-
WISE	2,000	2,000	-
Pentangle	32,000	32,000	-
Norman Williams Public Library	50,000	50,000	-
Ottauquechee Community Partnership	5,000	5,000	-
Spectrum Teen Center	1,250	1,250	-
Health Care & Rehab Services	3,247	3,247	-
Historical Society Education Program	7,500	7,500	-
Green Mountain RSVP	500	500	-
Welcome Center	18,000	18,000	-
Stagecoach Transportation	2,400	-	(2,400)
Total Special Articles expenditures	<u>186,797</u>	<u>184,447</u>	<u>(2,350)</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 1
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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
Capital Reserve Spending -			
Listers equipment/education	-	100	100
Tax map update - reappraisal	80,000	71,387	(8,613)
GIS maps	-	1,338	1,338
Select board contingency	-	10,922	10,922
Town Hall improvements	5,000	14,911	9,911
Bridges	-	57,765	57,765
Culverts and stormwater	75,000	-	(75,000)
Dump truck purchase	85,000	62,254	(22,746)
Truck purchase	-	75,000	75,000
Gator purchase	-	18,000	18,000
Fire department bunker gear	-	3,238	3,238
Fire department pager replacement	-	2,268	2,268
Communications	28,000	27,464	(536)
2015 Ford police cruiser	-	30,043	30,043
Computer equipment replacement	-	968	968
Total Capital Reserve Spending expenditures	<u>273,000</u>	<u>375,658</u>	<u>102,658</u>
Loss Repair -			
Property damage - communications tower	-	19,336	19,336
Property damage - town hall building	-	2,920	2,920
Property damage - welcome center	-	97	97
Total loss repair expenditures	<u>-</u>	<u>22,353</u>	<u>22,353</u>
Grants -			
ORRV	-	5,000	5,000
Dispatch console	-	25,181	25,181
Gully road culvert	-	64,485	64,485
VT DPS Equipment	-	1,000	1,000
2014 equipment incentive	-	1,680	1,680
Better back roads	-	4,000	4,000
2015 DUI enforcement	-	1,787	1,787
Total Grants expenditures	<u>-</u>	<u>103,133</u>	<u>103,133</u>
Total expenditures	<u>4,358,937</u>	<u>4,646,005</u>	<u>287,068</u>
EXCESS OF REVENUES OR (EXPENDITURES)	<u>(22,000)</u>	<u>(144,315)</u>	<u>(122,315)</u>
OTHER FINANCING SOURCES (USES):			
Note proceeds	-	123,000	123,000
Insurance reimbursements	-	20,313	20,313
Transfers in	283,000	262,616	(20,384)
Transfers out	(261,000)	(261,619)	(619)
Total other financing sources (uses)	<u>22,000</u>	<u>144,310</u>	<u>122,310</u>
NET CHANGE IN FUND BALANCE	\$ <u>-</u>	\$ <u>(5)</u>	\$ <u>(5)</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL - SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 2
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	Original and Final Budget	Actual (Budgetary Basis)	Variance Over (Under)
OPERATING REVENUES:			
User fees	\$ 648,200	\$ 637,412	\$ (10,788)
Miscellaneous	1,000	5	(995)
Total operating revenues	<u>649,200</u>	<u>637,417</u>	<u>(11,783)</u>
OPERATING EXPENSES:			
Sewer administration -			
Salaries and wages	49,800	51,504	1,704
Benefits	16,225	17,899	1,674
Office supplies	1,100	1,393	293
Legal services	250	-	(250)
Communications	800	868	68
Professional services	7,300	6,325	(975)
Computer expense	500	433	(67)
Total sewer administration	<u>75,975</u>	<u>78,422</u>	<u>2,447</u>
Sewer operations -			
Salaries and wages	34,000	26,358	(7,642)
Benefits	13,000	12,614	(386)
Operating supplies	4,000	4,681	681
Professional services	2,000	2,098	98
Engineering services	10,000	5,945	(4,055)
Rentals	400	-	(400)
Repairs and maintenance	4,000	2,991	(1,009)
Machinery and equipment	500	-	(500)
Sewer line maintenance equipment	500	495	(5)
Sewer line cleaning	12,000	16,159	4,159
I.I. Improvements	100	-	(100)
Total sewer operations	<u>80,500</u>	<u>71,341</u>	<u>(9,159)</u>
Maintenance of plant -			
Salaries and wages	130,000	149,570	19,570
Benefits	56,150	62,710	6,560
Office supplies	600	628	28
Operating supplies	35,000	46,966	11,966
Repairs and maintenance supplies	6,000	6,860	860
Contingencies	10,000	6,279	(3,721)
Professional services	15,000	7,760	(7,240)
Small tools and equipment	1,000	2,065	1,065

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL - SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 2
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	Original and Final Budget	Actual (Budgetary Basis)	Variance Over (Under)
OPERATING EXPENSES (CONTINUED):			
Maintenance of plant (continued) -			
Communications	4,200	4,706	506
Dues, subscriptions, and meetings	1,500	1,193	(307)
Insurance and fidelity bond premiums	18,000	22,148	4,148
Other purchased services	18,000	13,272	(4,728)
Repairs and maintenance	14,500	25,197	10,697
Taxes, licensing and regulations	1,000	1,099	99
Travel and transportation	500	972	472
Utilities	75,000	81,348	6,348
Test/monitor wells	500	-	(500)
Laboratory testing	8,000	19,473	11,473
Field rental	12,000	13,222	1,222
Field lime	3,500	-	(3,500)
Uniforms and protective gear	5,000	3,615	(1,385)
Engineering	8,000	11,112	3,112
Bond repayment	<u>37,675</u>	<u>-</u>	<u>(37,675)</u>
Total maintenance of plant	<u>461,125</u>	<u>480,195</u>	<u>19,070</u>
Sewer vehicles -			
Repairs and maintenance supplies	3,000	10,562	7,562
Travel and transportation	<u>8,000</u>	<u>9,171</u>	<u>1,171</u>
Total sewer vehicles	<u>11,000</u>	<u>19,733</u>	<u>8,733</u>
Construction	<u>250,000</u>	<u>-</u>	<u>(250,000)</u>
Depreciation	<u>-</u>	<u>172,650</u>	<u>172,650</u>
Total operating expenses	<u>878,600</u>	<u>822,341</u>	<u>(56,259)</u>
Operating income (loss)	<u>(229,400)</u>	<u>(184,924)</u>	<u>44,476</u>
NONOPERATING REVENUES (EXPENSES):			
Tap fees	-	59,813	59,813
Efficiency VT rebate	-	22,000	22,000
(Increase)/decrease in net pension liability	-	4,135	4,135
Interest income	<u>4,000</u>	<u>3,071</u>	<u>(929)</u>
Total nonoperating revenues (expenses)	<u>4,000</u>	<u>89,019</u>	<u>85,019</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(225,400)</u>	<u>(95,905)</u>	<u>129,495</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL - SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2015

Schedule 2
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	Original and Final <u>Budget</u>	Actual (Budgetary Basis) <u>Basis)</u>	Variance Over (Under) <u>(Under)</u>
OTHER FINANCING SOURCES (USES):			
Transfers to Capital Reserve Fund -			
Pick-up truck - Manager	(600)	(600)	-
Ton-Truck	(5,000)	(5,000)	-
Pick-up truck 4x4	(3,000)	(3,000)	-
Repairs and maintenance	(20,000)	(20,000)	-
Tractor	(5,000)	(5,000)	-
Sludge spreading truck	(3,000)	(3,000)	-
Total transfers to Capital Reserve Fund	(36,600)	(36,600)	-
Operating transfers in	<u>262,000</u>	<u>21,318</u>	<u>(240,682)</u>
Total other financing sources (uses)	<u>225,400</u>	<u>(15,282)</u>	<u>(240,682)</u>
CHANGE IN NET POSITION	\$ <u>-</u>	\$ <u>(111,187)</u>	\$ <u>(111,187)</u>

TOWN OF WOODSTOCK, VERMONT
COMBINING BALANCE SHEET
PERMANENT FUND
JUNE 30, 2015

Schedule 3
Page 1 of 2

ASSETS

Cash and cash equivalents
Investments
Due from other funds

Total assets

	Common Fund	Cemetery Fund	Billings Park Fund	Boyce Fund	Dreer Fund	Freeman Fund	Gilman Fund
	\$ 11,742	\$ 76,243	\$ 120,241	\$ 55,195	\$ 18,360	\$ 28,407	\$ 3,662
	-	-	185,985	2,882	-	-	-
	<u>700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	\$ 12,442	\$ 76,243	\$ 306,226	\$ 58,077	\$ 18,360	\$ 28,407	\$ 3,662

LIABILITIES AND FUND EQUITY

LIABILITIES:
Accounts payable
Due to other funds
Total liabilities

	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

FUND BALANCES:
Nonspendable
Restricted
Total fund balances

	-	-	-	-	-	-	-
12,442	<u>76,243</u>	<u>306,226</u>	<u>58,077</u>	<u>18,360</u>	<u>28,407</u>	<u>3,662</u>	
12,442	<u>76,243</u>	<u>306,226</u>	<u>58,077</u>	<u>18,360</u>	<u>28,407</u>	<u>3,662</u>	

Total liabilities and
fund equity

\$ 12,442	\$ 76,243	\$ 306,226	\$ 58,077	\$ 18,360	\$ 28,407	\$ 3,662	
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TOWN OF WOODSTOCK, VERMONT
COMBINING BALANCE SHEET
PERMANENT FUND
JUNE 30, 2015

Schedule 3
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	Whitcomb		Marbara Bagley Scholarship		Gary Hersey Award		George C. Brockway Scholarship		Endowment		Totals	
	Fund		Fund		Fund		Fund		Fund		Fund	
Cash and cash equivalents	\$ 53		\$ 48		\$ 2,912		\$ 3,474		\$ 58,339		\$ 378,676	
Investments	25,079		42,890		-		-		1,269,612		1,526,448	
Due from other funds	-		-		-		-		-		700	
Total assets	\$ 25,132		\$ 42,938		\$ 2,912		\$ 3,474		\$ 1,327,951		\$ 1,905,824	

LIABILITIES AND FUND EQUITY

LIABILITIES:												
Accounts payable	\$ -		\$ 1,000		\$ -		\$ -		\$ -		\$ 1,000	
Due to other funds	700		-		-		-		-		700	
Total liabilities	700		1,000		-		-		-		1,700	
FUND BALANCES:												
Nonspendable	-		-		-		-		1,225,341		1,225,341	
Restricted	24,432		41,938		2,912		3,474		102,610		678,783	
Total fund balances	24,432		41,938		2,912		3,474		1,327,951		1,904,124	
Total liabilities and fund equity	\$ 25,132		\$ 42,938		\$ 2,912		\$ 3,474		\$ 1,327,951		\$ 1,905,824	

TOWN OF WOODSTOCK, VERMONT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - PERMANENT FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Common Fund		Cemetery Fund	Billings Park Fund	Boyce Fund	Dreer Fund	Freeman Fund	Gilman Fund
REVENUES:								
Investment income	\$ 8	\$	262	\$ 779	\$ 162	\$ 43	\$ 11	\$ 2
Net increase (decrease) in fair value of investments	-		-	12,114	-	-	-	-
Miscellaneous	-		-	-	-	-	-	-
Total revenues	8		262	12,893	162	43	11	2
EXPENDITURES:								
Investment fees	60		-	-	-	-	-	-
Paid to school	-		-	-	-	-	-	-
Scholarships	1,200		-	-	-	-	-	-
Total expenditures	1,260		-	-	-	-	-	-
EXCESS OF REVENUES OR (EXPENDITURES)	(1,252)		262	12,893	162	43	11	2
OTHER FINANCING SOURCES (USES):								
Transfers in (out), net	-		-	(4,500)	(3,000)	-	(2,500)	-
NET CHANGE IN FUND BALANCES	(1,252)		262	8,393	(2,838)	43	(2,489)	2
FUND BALANCES, July 1, 2014	13,694		75,981	297,833	60,915	18,317	30,896	3,660
FUND BALANCES, June 30, 2015	\$ 12,442	\$	76,243	\$ 306,226	\$ 58,077	\$ 18,360	\$ 28,407	\$ 3,662

TOWN OF WOODSTOCK, VERMONT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - PERMANENT FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Whitcomb Fund	Marbara Bagley Scholarship Fund	Gary Hersey Award Fund	George C. Brockway Scholarship Fund	Endowment Fund	Totals Permanent Fund
REVENUES:						
Investment income	\$ 182	\$ 1,280	\$ 2	\$ 3	\$ 28,978	\$ 31,712
Net increase (decrease) in fair value of investments	-	(1,453)	-	-	(13,977)	(3,316)
Miscellaneous	-	-	-	450	-	450
Total revenues	182	(173)	2	453	15,001	28,846
EXPENDITURES:						
Investment fees	-	-	-	-	7,742	7,802
Paid to school	-	-	-	-	34,000	34,000
Scholarships	-	-	1,000	2,000	-	4,200
Total expenditures	-	-	1,000	2,000	41,742	46,002
EXCESS OF REVENUES OR (EXPENDITURES)	182	(173)	(998)	(1,547)	(26,741)	(17,156)
OTHER FINANCING SOURCES (USES):						
Transfers in (out), net	-	-	-	-	-	(10,000)
NET CHANGE IN FUND BALANCES	182	(173)	(998)	(1,547)	(26,741)	(27,156)
FUND BALANCES, July 1, 2014	24,250	42,111	3,910	5,021	1,354,692	1,931,280
FUND BALANCES, June 30, 2015	\$ 24,432	\$ 41,938	\$ 2,912	\$ 3,474	\$ 1,327,951	\$ 1,904,124

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

The Selectboard
Town of Woodstock, Vermont

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Woodstock, Vermont (the Town) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated December 28, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as item 2015-001 and 2015-002, that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no

instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Town's Responses to Findings

Management's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. Management's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

*Mudgett, Jennett &
Krogh-Wisner, P.C.*

Montpelier, Vermont
December 28, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

The Selectboard
Town of Woodstock, Vermont

Report on Compliance for Each Major Federal Program

We have audited the Town of Woodstock, Vermont's (the Town) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on the Town's major federal program for the year ended June 30, 2015. The Town's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Responses.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town of Woodstock, Vermont complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit

of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Montpelier, Vermont
December 28, 2015

*Mudgett, Gennott &
Krogh-Wisner, P.C.*

**TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015**

Federal Grantor/Pass-through Grantor <u>Program Title</u>	Federal CFDA <u>Number</u>	State/Federal Grant <u>Number</u>	<u>Expenditures</u>
U.S. Department of Housing and Urban Development:			
Passed through the Vermont Agency of Commerce and Community Development - Vermont Community Development Program			
Safford Commons	14.228	IG-2013-Woodstock-00017	\$ <u>766,442</u>
U.S. Department of Homeland Security:			
Passed through the Vermont Department of Public Safety -			
Homeland Security Grant Program	97.067	02140-71164V-409	<u>25,181</u>
U.S. Department of Transportation:			
Passed through the Vermont Department of Public Safety -			
2014 Equipment Incentives	20.600	02140-1314-2068	1,680
2015 Equipment Incentives	20.600	02140-1415-2051	<u>1,000</u>
			<u>2,680</u>
Minimum Penalties For Repeat Offenders	20.608	02140-1115-5162	<u>1,787</u>
Total U.S. Department of Transportation			<u>4,467</u>
Total Expenditures			\$ <u>796,090</u>

The accompanying notes are an integral part of this schedule.

TOWN OF WOODSTOCK, VERMONT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2015

1. Summary of significant accounting policies:

The Town of Woodstock, Vermont (the Town) is a unit of local government organized under the statutes of the State of Vermont. The Town is governed by a Selectboard. The Town provides various services as authorized and funded by state government or Town voters.

- A. Single Audit reporting entity - For purposes of complying with the Single Audit Act of 1984, as amended, the Town includes all funds and programs that are considered part of the primary governmental unit, as described in the basic financial statements as of and for the year ended June 30, 2015.
- B. Basis of presentation - The information in the accompanying schedule is presented in accordance with U.S. Office of Management and Budget (OMB) Circular A-133.
1. Federal award - Pursuant to the Single Audit Act and OMB Circular A-133, federal award means federal financial assistance and federal cost-reimbursement contracts that non-federal entities receive directly from federal awarding agencies or indirectly from pass-through entities. The majority of the federal grants received by the Town passed through the State of Vermont.
 2. Federal financial assistance - In the Single Audit Act and OMB Circular A-133, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loan guarantees, property, interest subsidies, insurance, or direct appropriations. Federal financial assistance does not include direct federal cash payments to individuals.
 3. Major and nonmajor programs - OMB Circular A-133 establishes risk-based criteria for determining those major programs to be tested for compliance with program requirements. Nonmajor federal programs are included on the Schedule of Expenditures of Federal Awards but are subject to lower levels of testing.
- C. Basis of accounting - The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town and is presented on the accrual basis of accounting. The information in the schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

2. Subrecipients:

The Town provided \$766,442 to the Safford Commons Housing Limited Partnership for community development through CFDA 14.228 shown on the Schedule of Expenditures of Federal Awards.

The Town also provided \$2,680 and \$1,787 to the Village of Woodstock for public safety through CFDA 20.600 and 20.608, respectively, shown on the Schedule of Expenditures of Federal Awards.

**TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2015**

A. Summary of Auditor's Results:

Financial Statements -

Type of auditor's report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? *Yes*
 - Significant deficiency(ies) identified? *None reported*
- Noncompliance material to financial statements noted? *No*

Federal Awards -

Internal control over major programs:

- Material weakness(es) identified? *No*
- Significant deficiency(ies) identified? *None reported*

Type of auditor's report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported
in accordance with Section 510(a) of OMB Circular A-133? *No*

Identification of major programs:

- *U.S. Department of Housing and Urban Development:
CFDA 14.228 - Vermont Community Development Program (Safford Commons)*

Dollar threshold used to distinguish between type A and type B programs: *\$300,000*

Auditee qualified as low-risk auditee? *No*

B. Audit Findings - Financial Statements:

2015-001 Governmental capital assets in the government-wide statements:

Capital assets and related depreciation are reported in the Town's government-wide financial statements. We found that the Town did not record all 2014 additions to capital assets in the general ledger, but had included most of the additions in supplemental depreciation schedules. An audit adjustment was proposed to record additional capital assets and related depreciation in the general ledger. The net amount of additional capital assets was \$414,390 and the increase in related depreciation was \$8,850. This increase was to record the donation of the completed North Bridgewater Road Bridge from the State of Vermont.

We recommend that the Town adopt procedures to insure all capital asset additions and dispositions are included on the supplemental depreciation schedules and to insure that the totals of those schedules agree with the capital asset and accumulated depreciation totals in the general ledger.

Management's response - The staff accountant was not informed of the State of Vermont's participation in the FY 2014 North Bridgewater Road Bridge project until the following fiscal year. The additional \$414,390 in capital assets and the \$8,850 in depreciation have been recorded.

**TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2015**

B. Audit Findings - Financial Statements (continued):

2015-002 Sewer Fund capital assets:

The Town's Sewer Fund is reported as a proprietary fund which requires accrual basis accounting with depreciation of capital assets in the fund. We found that 2015 depreciation of \$172,650 was not recorded in the general ledger of the Sewer Fund. A late client adjustment was made to correct depreciation of the fund.

We recommend that depreciation of the Fund's capital assets be recorded on a regular basis.

Management's response - The depreciation of capital assets in the Town's Sewer Fund will be recorded on a more regular basis.

C. Audit Findings - Federal Awards:

There were no audit findings reported for the year ended June 30, 2015.

**STATUS OF PRIOR AUDIT FINDINGS
AS OF JUNE 30, 2015**

We consider audit findings 2014-003 ambulance accounting, 2014-004 interfund transfers, 2014-005 property tax rate error, 2014-006 sewer fund - segregation of duties, and 2014-007 long-term liabilities in the government-wide statements to be resolved.

The current status of the conditions described in prior audit findings 2014-001 governmental capital assets in the government-wide statements, and 2014-002 Sewer Fund capital assets have been addressed in the current year findings 2015-001 and 2015-002, respectively.