

TOWN OF WOODSTOCK, VERMONT

FINANCIAL STATEMENTS

JUNE 30, 2017

AND

INDEPENDENT AUDITOR'S REPORTS

TOWN OF WOODSTOCK, VERMONT

JUNE 30, 2017

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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, 2017, 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, 2017, 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 Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules 5 and 6 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 through 4 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying schedules 1 through 4 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 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 2018 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
January 3, 2018

*Mudgett, Kenneth &
Hugh-Wilson, P.C.*

Management's Discussion and Analysis

The Town of Woodstock was chartered by New Hampshire Governor Benning Wentworth on July 10, 1761. It was named after Woodstock in Oxfordshire, England. The town was first settled in 1768.

A five-member Selectboard is elected and is 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 (Town) financial performance, including an overview and analysis of the financial activities of the Town for the fiscal year ending June 30, 2017. Readers should consider this information in conjunction with the Town's financial statements which are located after this analysis.

GENERAL FUND BUDGETARY HIGHLIGHTS

On February 27, 2016 the voters of the Town of Woodstock convened at the Town Hall for the annual Town Meeting. A budget of \$4,888,958 (for fiscal year 2017 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 \$3,206,928. The amount to be raised by taxation was voted and adopted.

The approved budget increased by \$178,328 over the FY 16 budget. The change was primarily due to increases in the amount needed for administration, public safety services and public works.

The amount to be raised by taxation of \$3,206,928 was an increase of 3.5% over the previous year's amount. \$40,000 was used from the surplus, for the purpose of tax stabilization for the fiscal year 2017.

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, 2017, by \$14,052,999. Net position for governmental activities increased by \$20,302 and net position for business-type activities decreased by \$281,666. There were deferred inflows of resources of \$1,022,410.

Fund Highlights

At the end of the fiscal year, the Town's governmental funds reported a combined ending fund balance of \$3,603,922, an increase of \$181,570 compared to the prior year. The unassigned portion of the combined fund balance includes the General Fund deficit of \$82,128 and the Capital Reserve Fund unassigned balance of \$6,758 for a net deficit of \$75,370. The remaining \$3,679,292 represents amounts classified for specific purposes, such as endowments and subsequent year's expenditures. The proprietary funds reported a net position at June 30, 2017 of \$2,134,857, a decrease of \$281,666 for the year.

Debt

The Town's total long-term debt and accrued compensated absences decreased during the fiscal year to \$2,226,938 which includes no capital leases. During FY 2017, the Town added debt of \$48,245 and retired debt of \$279,092 for a net decrease of \$230,847.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) establishes accounting principles generally accepted in the United States of America. The Town's financial statements for the year ended June 30, 2017 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 includes schedules 1, 2, 3 and 4 which are not required by accounting principles generally accepted in the United States of America (U.S. GAAP) but are presented as supplementary information. These schedules contain budgetary basis schedules and combining information for the individual components of the Permanent Fund. This section also includes schedules 5 and 6, which report information required by U.S. GAAP. These schedules contain historical pension information for the Town's portion of VMERS.

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 full accrual basis of accounting. This means that all revenues and expenditures 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** - The statement presents information on all of the Town's assets, liabilities, deferred inflows of resources and deferred outflows of resources with the difference between assets plus deferred outflows less liabilities less deferred inflows with the difference 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 inflows and outflows of resources are making.
- **Statement of Activities** - The 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, economic and community development, and culture and recreation. Property taxes, federal, state and other local 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 accounting approaches.

- **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 full 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 full accrual basis of accounting. Proprietary funds are reported as business-type activities on the government-wide financial statements. Since proprietary funds use full 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 the 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 of the 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 funds financial statements isn't necessary. The business-type activities of the government-wide financial statements and the proprietary funds use the same accounting basis and measurement focus.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. 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.

Net Position June 30, 2017 and June 30, 2016

	Governmental Activities		Business-type Activities		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current assets	\$ 5,162,754	\$ 5,023,976	\$ 635,692	\$ 724,714	\$ 5,798,446	\$ 5,748,690
Capital assets	<u>10,146,371</u>	<u>10,345,118</u>	<u>1,800,532</u>	<u>2,031,148</u>	<u>11,946,903</u>	<u>12,376,266</u>
Total assets	<u>15,309,125</u>	<u>15,369,094</u>	<u>2,436,224</u>	<u>2,755,862</u>	<u>17,745,349</u>	<u>18,124,956</u>
Deferred outflows of resources	<u>309,780</u>	<u>180,724</u>	<u>78,087</u>	<u>48,465</u>	<u>387,867</u>	<u>229,189</u>
Current liabilities	427,433	404,439	84,234	84,578	511,667	489,017
Long-term liabilities	<u>2,251,659</u>	<u>2,228,443</u>	<u>294,481</u>	<u>302,045</u>	<u>2,546,140</u>	<u>2,530,488</u>
Total liabilities	<u>2,679,092</u>	<u>2,632,882</u>	<u>378,715</u>	<u>386,623</u>	<u>3,057,807</u>	<u>3,019,505</u>
Deferred inflows of resources	<u>1,021,671</u>	<u>1,019,096</u>	<u>739</u>	<u>1,181</u>	<u>1,022,410</u>	<u>1,020,277</u>
Net Position:						
Net investment in capital assets	8,374,428	8,372,938	1,636,832	1,816,773	10,011,260	10,189,711
Restricted - Nonexpendable	1,310,739	1,191,083	-	-	1,310,739	1,191,083
Restricted - Expendable	1,699,155	1,518,382	106,064	105,667	1,805,219	1,624,049
Unrestricted	<u>533,820</u>	<u>815,437</u>	<u>391,961</u>	<u>494,083</u>	<u>925,781</u>	<u>1,309,520</u>
Total net position	<u>\$ 11,918,142</u>	<u>\$ 11,897,840</u>	<u>\$ 2,134,857</u>	<u>\$ 2,416,523</u>	<u>\$ 14,052,999</u>	<u>\$ 14,314,363</u>

The portion of the Town's governmental activities net position as of June 30, 2017 that reflects its investment in capital assets (e.g., land, buildings, equipment, and construction in progress), less any related debt used to acquire those assets is \$8,374,428 or 70.3%. 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 (25.3%) 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 \$533,820 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current 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.

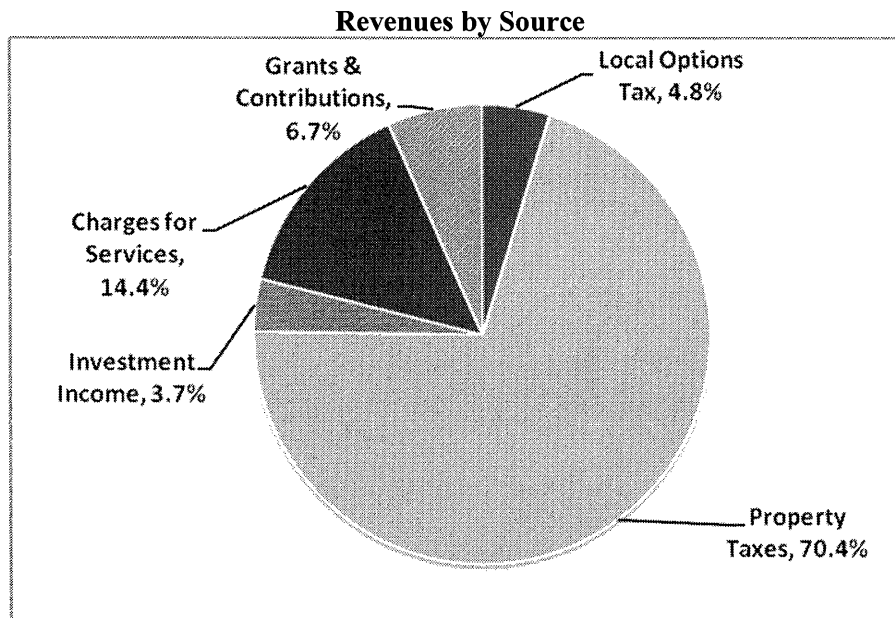
Changes in Net Position for the Fiscal Years Ended June 30, 2017 and 2016

	Governmental Activities		Business-type Activities		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues						
Program Revenues						
Grants and Contributions	\$ 350,607	\$ 272,156	\$ -	\$ -	\$ 350,607	\$ 272,156
Charges for Services	754,409	667,415	711,609	676,352	1,466,018	1,343,767
Other	13,255	6,640	20,799	21,472	34,054	28,112
General Revenues						
Property Taxes	3,695,194	3,592,363	-	-	3,695,194	3,592,363
Donations	-	-	-	-	-	-
Local Options Tax	249,973	208,112	-	-	249,973	208,112
Investment Income	40,084	51,580	399	2,567	40,483	54,147
Total Revenues	<u>5,103,522</u>	<u>4,798,266</u>	<u>732,807</u>	<u>700,391</u>	<u>5,836,329</u>	<u>5,498,657</u>
Expenses						
Governmental Activities						
General Government	1,144,827	1,146,460	-	-	1,144,827	1,146,460
Public Works	1,619,978	1,517,905	-	-	1,619,978	1,517,905
Public Safety	1,451,349	1,354,512	-	-	1,451,349	1,354,512
Economic & Community Development	94,323	107,614	-	-	94,323	107,614
Culture and Recreation	859,712	731,002	-	-	859,712	731,002
Debt Service - Interest	59,466	45,397	-	-	59,466	45,397
Business-type Activities						
Sewer	-	-	1,026,458	849,631	1,026,458	849,631
Unemployment	0	0	0	0	0	0
Total Expenses	<u>5,229,655</u>	<u>4,902,890</u>	<u>1,026,458</u>	<u>849,631</u>	<u>6,256,113</u>	<u>5,752,521</u>
Changes in Net Position before Changes in Market Value (MV) and Transfers	(126,133)	(104,624)	(293,651)	(149,240)	(419,784)	(253,864)
MV Increase(Decrease)	158,420	(39,645)	-	-	158,420	(39,645)
Transfer In (Out)	(11,985)	(7,126)	11,985	7,126	-	-
Changes in Net Position	<u>20,302</u>	<u>(151,395)</u>	<u>(281,666)</u>	<u>(142,114)</u>	<u>(261,364)</u>	<u>(293,509)</u>
Net Position - Beginning	<u>11,897,840</u>	<u>12,049,235</u>	<u>2,416,523</u>	<u>2,558,637</u>	<u>14,314,363</u>	<u>14,607,872</u>
Net Position - Ending	<u>\$ 11,918,142</u>	<u>\$ 11,897,840</u>	<u>\$ 2,134,857</u>	<u>\$ 2,416,523</u>	<u>\$ 14,052,999</u>	<u>\$ 14,314,363</u>

Governmental Activities - In the fiscal year 2017, property taxes provided 70.4% of revenues. Grants and Contributions accounted for 6.7%. The amount earned on investments was 3.7% of total governmental activities revenues. Charges for Services brought in 14.4%. Local Options Tax was 4.8%

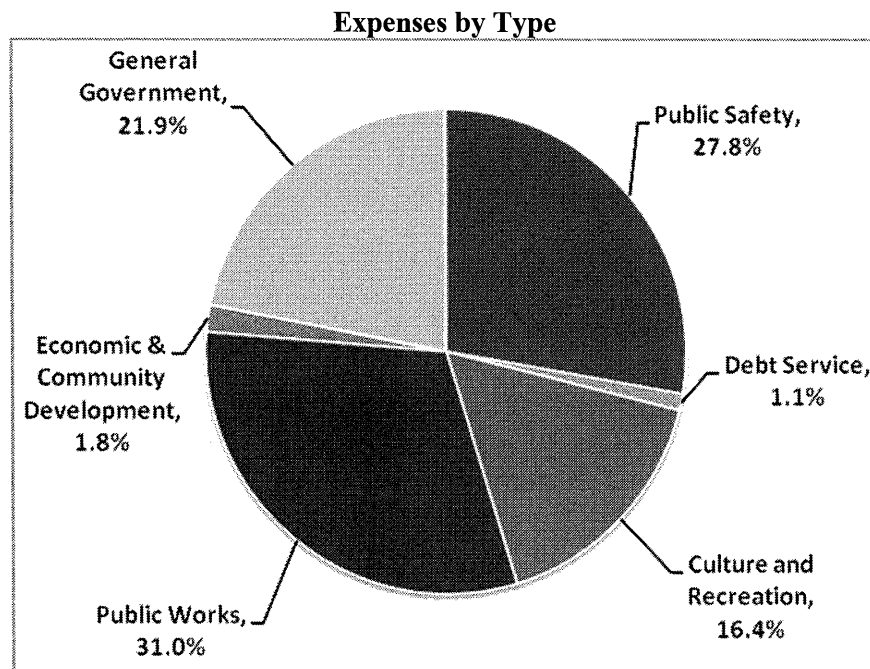
Business-type Activities - Charges for Services accounted for 97.1% of revenues.

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



For FY 2017, governmental activity expenses exceeded program revenues by \$4,111,384 compared to \$3,956,679 for FY 2016.

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



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 current fiscal year, the Town's governmental funds reported combined ending fund balances of \$3,603,922. A combined unassigned deficit of \$75,370 consists of a General Fund deficit of \$82,128 and a Capital Reserve Fund unassigned balance of \$6,758. The remainder of the fund balance is classified to indicate that it is not available for new spending because it has already been pledged to 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 a deficit of \$82,128 and nonspendable, restricted, committed and assigned fund balance was \$150,916. Total fund balance represents 72.7% of total general fund expenditures and interfund transfers. The fund balance of the Town General Fund decreased by \$45,008 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 assets of the Town's Sewer Fund amount to \$391,961, a decrease of \$102,122 during the most recent fiscal year; restricted net position of \$0 is unchanged from FY 16. Restricted net position of the Town's Unemployment Fund amounts to \$106,064, an increase of \$397. 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, 2017, amounts to \$11,946,903 (net of depreciation). This amount represents a decrease of \$429,363 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, 2017 and June 30, 2016
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 642,570	\$ 642,570	\$ 36,164	\$ 36,164	\$ 678,734	\$ 678,734
Land Improvements	9,720	10,157	-	-	9,720	10,157
Construction in process	9,065	165,816	13,855	13,855	22,920	179,671
Infrastructure	4,887,814	5,027,286	146,925	298,933	5,034,739	5,326,219
Buildings & improvements	2,826,607	2,732,598	-	-	2,826,607	2,732,598
Sewer treatment plant	-	-	1,499,541	1,601,205	1,499,541	1,601,205
Vehicles and equipment	1,487,262	1,512,120	100,507	76,363	1,587,769	1,588,483
Office equip & computers	283,333	254,571	3,540	4,628	286,873	259,199
Total assets	<u>\$ 10,146,371</u>	<u>\$ 10,345,118</u>	<u>\$ 1,800,532</u>	<u>\$ 2,031,148</u>	<u>\$ 11,946,903</u>	<u>\$ 12,376,266</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, 2017, the Town of Woodstock had total long-term debt outstanding of \$2,226,938. Of this amount, \$700,000 represents bonds issued by the Vermont Municipal Bond Bank at an effective interest rate of 4.67%, \$24,367 represents a note payable at an interest rate of 1.74%, \$9,176 represents a note payable at an interest rate of 2.242%, \$37,500 represents a note payable at an interest rate of 1.65%, \$15,000 represents a note payable at an interest rate of 1.65%, \$150,700 represents non-interest bearing bonds issued by the Vermont Municipal Bond Bank, \$624,400 represents bonds at an interest rate of 2.49%, \$176,000 represents bonds at an interest rate of 3.0%, \$37,500 represents a note payable at an interest rate of 1.68%, \$96,000 represents a note payable at an interest rate of 1.95%, \$26,000 represents a note payable at an interest rate of 1.65%, \$13,000 represents a note payable at an interest rate of 1.65%, \$26,000 represents a note payable at an interest rate of 1.98% and \$291,295 represents compensated absences obligations.

FISCAL YEAR 2018 BUDGET

For fiscal year 2018, property taxes are projected to increase 14.2% or \$456,153 over last year's budget. No amount will be used from the surplus, for the purpose of tax stabilization for the fiscal year 2018. The Special Articles approved for FY 18 are \$464 more than those in FY 17. The fiscal year 2018 budget adopted at the Town Meeting in February 2017 will maintain services at the fiscal year 2017 levels.

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, 2017
(Page 1 of 2)

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
ASSETS:			
Current assets -			
Cash and cash equivalents	\$ 1,967,025	\$ 622,923	\$ 2,589,948
Investments	1,615,475	-	1,615,475
Receivables:			
Delinquent taxes	411,689	-	411,689
Accounts, grants and notes	1,125,908	32,366	1,158,274
Prepaid expenses	5,000	-	5,000
Other assets	18,060	-	18,060
Internal balances	<u>19,597</u>	<u>(19,597)</u>	<u>-</u>
Total current assets	<u>5,162,754</u>	<u>635,692</u>	<u>5,798,446</u>
Noncurrent assets -			
Capital assets	15,011,057	7,282,746	22,293,803
less - accumulated depreciation	<u>(4,864,686)</u>	<u>(5,482,214)</u>	<u>(10,346,900)</u>
Total noncurrent assets	<u>10,146,371</u>	<u>1,800,532</u>	<u>11,946,903</u>
Total assets	<u>15,309,125</u>	<u>2,436,224</u>	<u>17,745,349</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred pension expense	<u>309,780</u>	<u>78,087</u>	<u>387,867</u>
LIABILITIES:			
Current liabilities -			
Accounts payable	134,950	29,800	164,750
Accrued expenses	53,524	3,759	57,283
Due to Village of Woodstock	5,097	-	5,097
Current portion of long-term debt	<u>233,862</u>	<u>50,675</u>	<u>284,537</u>
Total current liabilities	<u>427,433</u>	<u>84,234</u>	<u>511,667</u>
Noncurrent liabilities -			
Accrued compensated absences	231,389	59,906	291,295
Long-term debt	1,538,081	113,025	1,651,106
Net pension liability	<u>482,189</u>	<u>121,550</u>	<u>603,739</u>
Total noncurrent liabilities	<u>2,251,659</u>	<u>294,481</u>	<u>2,546,140</u>
Total liabilities	<u>2,679,092</u>	<u>378,715</u>	<u>3,057,807</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, 2017
(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 and loans	1,009,245	-	1,009,245
Deferred pension credits	2,931	739	3,670
Unavailable revenue - donation	<u>9,495</u>	<u>-</u>	<u>9,495</u>
Total deferred inflows of resources	<u>1,021,671</u>	<u>739</u>	<u>1,022,410</u>
NET POSITION:			
Net investment in capital assets	8,374,428	1,636,832	10,011,260
Restricted - nonexpendable	1,310,739	-	1,310,739
Restricted - expendable	1,699,155	106,064	1,805,219
Unrestricted	<u>533,820</u>	<u>391,961</u>	<u>925,781</u>
Total net position	\$ <u>11,918,142</u>	\$ <u>2,134,857</u>	\$ <u>14,052,999</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, 2017

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Grants and Contributions</u>	<u>Charges for Services</u>	<u>Other</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
FUNCTIONS/PROGRAMS:							
Governmental activities -							
General government	\$ 1,144,827	\$ 26,465	\$ 199,991	\$ 8,126	\$ (910,245)	\$ -	\$ (910,245)
Public safety	1,451,349	5,571	546,918	-	(898,860)	-	(898,860)
Public works	1,619,978	215,571	-	-	(1,404,407)	-	(1,404,407)
Economic and community development	94,323	-	-	-	(94,323)	-	(94,323)
Culture and recreation	859,712	103,000	7,500	5,129	(744,083)	-	(744,083)
Debt service - interest	59,466	-	-	-	(59,466)	-	(59,466)
Total governmental activities	<u>5,229,655</u>	<u>350,607</u>	<u>754,409</u>	<u>13,255</u>	<u>(4,111,384)</u>	<u>-</u>	<u>(4,111,384)</u>
Business-type activities -							
Sewer	1,026,458	-	711,609	20,799	-	(294,050)	(294,050)
Total business-type activities	<u>1,026,458</u>	<u>-</u>	<u>711,609</u>	<u>20,799</u>	<u>-</u>	<u>(294,050)</u>	<u>(294,050)</u>
	<u>\$ 6,256,113</u>	<u>\$ 350,607</u>	<u>\$ 1,466,018</u>	<u>\$ 34,054</u>	<u>(4,111,384)</u>	<u>(294,050)</u>	<u>(4,405,434)</u>
GENERAL REVENUES							
- PROPERTY TAXES					3,695,194	-	3,695,194
- LOCAL OPTIONS TAX					249,973	-	249,973
- INVESTMENT INCOME					40,084	399	40,483
- NET INCREASE (DECREASE) IN FAIR VALUE OF INVESTMENTS					158,420	-	158,420
- TRANSFERS IN (OUT)					(11,985)	11,985	-
					<u>4,131,686</u>	<u>12,384</u>	<u>4,144,070</u>
CHANGE IN NET POSITION					20,302	(281,666)	(261,364)
NET POSITION, July 1, 2016					<u>11,897,840</u>	<u>2,416,523</u>	<u>14,314,363</u>
NET POSITION, June 30, 2017					<u>\$ 11,918,142</u>	<u>\$ 2,134,857</u>	<u>\$ 14,052,999</u>

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

TOWN OF WOODSTOCK, VERMONT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017
(Page 1 of 3)

	General <u>Fund</u>	Capital Reserve <u>Fund</u>	Permanent <u>Fund</u>	Community Development <u>Fund</u>	Economic & Community Development Reserve Fund	Totals Governmental <u>Funds</u>
ASSETS						
Cash and cash equivalents	\$ 336,490	\$ 1,084,921	\$ 352,391	\$ 100	\$ 193,123	\$ 1,967,025
Investments	-	-	1,615,475	-	-	1,615,475
Receivables - Delinquent taxes	411,689	-	-	-	-	411,689
- Accounts, grants and notes	105,443	-	-	995,000	25,465	1,125,908
Due from other funds	-	248,909	16,350	-	-	265,259
Prepaid expenditures	5,000	-	-	-	-	5,000
Other assets	18,060	-	-	-	-	18,060
Total assets	\$ <u>876,682</u>	\$ <u>1,333,830</u>	\$ <u>1,984,216</u>	\$ <u>995,100</u>	\$ <u>218,588</u>	\$ <u>5,408,416</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND EQUITY						
LIABILITIES:						
Accounts payable	\$ 133,450	\$ -	\$ 1,500	\$ -	\$ -	\$ 134,950
Accrued payroll and benefits	53,524	-	-	-	-	53,524
Due to other funds	245,562	-	-	100	-	245,662
Due to Village of Woodstock	5,097	-	-	-	-	5,097
Total liabilities	<u>437,633</u>	<u>-</u>	<u>1,500</u>	<u>100</u>	<u>-</u>	<u>439,233</u>

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

TOWN OF WOODSTOCK, VERMONT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017
(Page 2 of 3)

	General <u>Fund</u>	Capital Reserve <u>Fund</u>	Permanent <u>Fund</u>	Community Development <u>Fund</u>	Economic & Community Development Reserve Fund	Totals Governmental <u>Funds</u>
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue - grants	14,245	-	-	-	-	14,245
Unavailable revenue - loans receivable	-	-	-	995,000	-	995,000
Unavailable revenue - property taxes	346,521	-	-	-	-	346,521
Unavailable revenue - donation	<u>9,495</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,495</u>
Total deferred inflows of resources	<u>370,261</u>	<u>-</u>	<u>-</u>	<u>995,000</u>	<u>-</u>	<u>1,365,261</u>
FUND BALANCES:						
Nonspendable	5,000	-	1,310,739	-	-	1,315,739
Restricted	22,940	26,809	671,977	-	-	721,726
Committed	-	977,429	-	-	-	977,429
Assigned	122,976	322,834	-	-	218,588	664,398
Unassigned	<u>(82,128)</u>	<u>6,758</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(75,370)</u>
Total fund balances	<u>68,788</u>	<u>1,333,830</u>	<u>1,982,716</u>	<u>-</u>	<u>218,588</u>	<u>3,603,922</u>
Total liabilities, deferred inflows of resources and fund equity	\$ <u>876,682</u>	\$ <u>1,333,830</u>	\$ <u>1,984,216</u>	\$ <u>995,100</u>	\$ <u>218,588</u>	\$ <u>5,408,416</u>

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

TOWN OF WOODSTOCK, VERMONT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017
(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	\$ 3,603,922
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	15,011,057
Accumulated depreciation	(4,864,686)
Liabilities not due and payable in the year are not reported in the governmental funds.	
Long-term debt - Bonds and notes payable	(1,771,943)
Accrued compensated absences	(231,389)
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.	346,521
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	309,780
Deferred pension credits	(2,931)
Net pension liability	<u>(482,189)</u>
Net position of governmental activities - Government-wide Statement of Net Position	\$ <u>11,918,142</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, 2017

(Page 1 of 3)

	General Fund	Capital Reserve Fund	Permanent Fund	Community Development Fund	Economic & Community Development Reserve Fund	Totals Governmental Funds
REVENUES:						
Taxes	\$ 3,768,404	\$ -	\$ -	\$ -	\$ 249,973	\$ 4,018,377
Intergovernmental	344,029	-	-	-	-	344,029
Licenses, permits, fines, and fees	177,163	-	-	-	-	177,163
Charges for goods and services	547,558	-	-	-	-	547,558
Investment income	311	83	39,679	-	11	40,084
Net increase (decrease) in fair value of investments	-	-	158,420	-	-	158,420
Miscellaneous	47,704	-	1,832	-	-	49,536
Total revenues	<u>4,885,169</u>	<u>83</u>	<u>199,931</u>	<u>-</u>	<u>249,984</u>	<u>5,335,167</u>
EXPENDITURES:						
Current -						
General government	892,670	-	44,690	-	-	937,360
Public safety	1,273,704	-	-	-	-	1,273,704
Public works	971,721	-	-	-	-	971,721
Economic and community development	-	-	-	-	94,323	94,323
Culture and recreation	586,817	-	-	-	-	586,817
Comfort Station	28,395	-	-	-	-	28,395
Intergovernmental	246,198	-	-	-	-	246,198
Grants	210,022	-	-	-	-	210,022
Special Articles	193,633	-	-	-	-	193,633
Capital reserve spending	36,929	-	-	-	-	36,929
Capital outlay	302,805	-	-	-	-	302,805
Debt service - principal	226,237	-	-	-	-	226,237
- interest	59,466	-	-	-	-	59,466
Total expenditures	<u>5,028,597</u>	<u>-</u>	<u>44,690</u>	<u>-</u>	<u>94,323</u>	<u>5,167,610</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, 2017

(Page 2 of 3)

	<u>General Fund</u>	<u>Capital Reserve Fund</u>	<u>Permanent Fund</u>	<u>Community Development Fund</u>	<u>Economic & Community Development Reserve Fund</u>	<u>Totals Governmental Funds</u>
EXCESS OF REVENUES OR (EXPENDITURES)	(143,428)	83	155,241	-	155,661	167,557
OTHER FINANCING SOURCES (USES):						
Note proceeds	26,000	-	-	-	-	26,000
Interfund transfers in	390,454	349,634	-	-	-	740,088
Interfund transfers out	(318,034)	(270,199)	(33,651)	-	(130,191)	(752,075)
Total other financing sources (uses)	98,420	79,435	(33,651)	-	(130,191)	14,013
NET CHANGE IN FUND BALANCES	(45,008)	79,518	121,590	-	25,470	181,570
FUND BALANCES, July 1, 2016	113,796	1,254,312	1,861,126	-	193,118	3,422,352
FUND BALANCES, June 30, 2017	\$ 68,788	\$ 1,333,830	\$ 1,982,716	\$ -	\$ 218,588	\$ 3,603,922

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, 2017

(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	\$ 181,570
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	329,290
Depreciation	(528,037)
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	(419,731)
Current year	346,521
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.	
Net (increase) decrease in compensated absences	(22,245)
Proceeds from notes payable	(26,000)
Principal payments on bonds and notes payable	226,237
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 net pension obligation	<u>(67,303)</u>
Change in net position of governmental activities - Government-wide Statement of Activities	\$ <u>20,302</u>

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, 2017

	Original and Final <u>Budget</u>	Actual (Budgetary Basis) <u>Basis)</u>	Variance Over (Under) <u>(Under)</u>
REVENUES:			
Property taxes	\$ 3,676,461	\$ 3,768,404	\$ 91,943
Licenses and permits	64,500	63,316	(1,184)
Intergovernmental	133,000	344,029	211,029
Charges for services	514,430	547,558	33,128
Fines and forfeits	129,000	113,847	(15,153)
Investment income	100	311	211
Miscellaneous	92,000	47,704	(44,296)
Total revenues	<u>4,609,491</u>	<u>4,885,169</u>	<u>275,678</u>
EXPENDITURES:			
General government	1,119,565	899,324	(220,241)
Public safety	1,184,493	1,333,118	148,625
Public works	1,207,300	1,178,832	(28,468)
Culture and recreation	595,100	592,089	(3,011)
Comfort Station	27,900	45,537	17,637
Intergovernmental	220,000	246,198	26,198
Special Articles	195,433	193,633	(1,800)
Capital reserve spending	230,000	262,454	32,454
Tropical Storm Irene	63,100	60,700	(2,400)
Grants	-	216,712	216,712
Total expenditures	<u>4,842,891</u>	<u>5,028,597</u>	<u>185,706</u>
EXCESS OF REVENUES OR (EXPENDITURES)	<u>(233,400)</u>	<u>(143,428)</u>	<u>(89,972)</u>
OTHER FINANCING SOURCES (USES):			
Note proceeds	222,000	26,000	(196,000)
Transfers in	237,900	390,454	152,554
Transfers out	(266,500)	(318,034)	51,534
Total other financing sources (uses)	<u>193,400</u>	<u>98,420</u>	<u>(94,980)</u>
NET CHANGE IN FUND BALANCE	\$ <u>(40,000)</u>	\$ <u>(45,008)</u>	\$ <u>5,008</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, 2017
(Page 1 of 2)

	Sewer <u>Fund</u>	Unemployment <u>Fund</u>	Totals Proprietary <u>Funds</u>
ASSETS:			
Current assets -			
Cash and cash equivalents	\$ 516,859	\$ 106,064	\$ 622,923
Accounts receivable (Net of allowance for doubtful accounts of \$5,000)	<u>32,366</u>	<u>-</u>	<u>32,366</u>
Total current assets	<u>549,225</u>	<u>106,064</u>	<u>655,289</u>
Noncurrent assets -			
Capital assets	7,282,746	-	7,282,746
less - accumulated depreciation	<u>(5,482,214)</u>	<u>-</u>	<u>(5,482,214)</u>
Total noncurrent assets	<u>1,800,532</u>	<u>-</u>	<u>1,800,532</u>
Total assets	<u>2,349,757</u>	<u>106,064</u>	<u>2,455,821</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred pension expense	<u>78,087</u>	<u>-</u>	<u>78,087</u>
LIABILITIES:			
Current liabilities -			
Accounts payable	29,800	-	29,800
Accrued payroll	3,759	-	3,759
Due to other funds	19,597	-	19,597
Current portion of long-term debt	<u>50,675</u>	<u>-</u>	<u>50,675</u>
Total current liabilities	<u>103,831</u>	<u>-</u>	<u>103,831</u>
Noncurrent liabilities -			
Net pension liability	121,550	-	121,550
Accrued compensated absences	59,906	-	59,906
Long-term debt	<u>113,025</u>	<u>-</u>	<u>113,025</u>
Total noncurrent liabilities	<u>294,481</u>	<u>-</u>	<u>294,481</u>
Total liabilities	<u>398,312</u>	<u>-</u>	<u>398,312</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, 2017
(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>739</u>	<u>-</u>	<u>739</u>
NET POSITION:			
Net investment in capital assets	1,636,832	-	1,636,832
Restricted	-	106,064	106,064
Unrestricted	<u>391,961</u>	<u>-</u>	<u>391,961</u>
Total net position	\$ <u><u>2,028,793</u></u>	\$ <u><u>106,064</u></u>	\$ <u><u>2,134,857</u></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, 2017

	Sewer <u>Fund</u>	Unemployment <u>Fund</u>	Totals Proprietary <u>Funds</u>
OPERATING REVENUES:			
User fees	\$ 693,784	\$ -	\$ 693,784
Miscellaneous	<u>56</u>	<u>-</u>	<u>56</u>
Total operating revenues	<u>693,840</u>	<u>-</u>	<u>693,840</u>
OPERATING EXPENSES:			
Operations and maintenance	592,979	-	592,979
Vehicles	27,745	-	27,745
Administration	85,692	-	85,692
Construction	15,500	-	15,500
Depreciation	<u>289,316</u>	<u>-</u>	<u>289,316</u>
Total operating expenses	<u>1,011,232</u>	<u>-</u>	<u>1,011,232</u>
Operating income (loss)	<u>(317,392)</u>	<u>-</u>	<u>(317,392)</u>
NONOPERATING REVENUES (EXPENSES):			
Tap fees	17,825	-	17,825
(Increase)/decrease in net pension liability	(15,226)	-	(15,226)
Gain/(Loss) on asset disposal	18,425	-	18,425
Interest income	<u>2</u>	<u>397</u>	<u>399</u>
Total nonoperating revenues (expenses)	<u>21,026</u>	<u>397</u>	<u>21,423</u>
INCOME (LOSS) BEFORE TRANSFERS	(296,366)	397	(295,969)
OTHER FINANCING SOURCES (USES):			
Insurance reimbursements	2,318	-	2,318
Interfund transfers in	43,585	-	43,585
Interfund transfers out	<u>(31,600)</u>	<u>-</u>	<u>(31,600)</u>
Total other financing sources (uses)	<u>14,303</u>	<u>-</u>	<u>14,303</u>
CHANGE IN NET POSITION	(282,063)	397	(281,666)
NET POSITION, July 1, 2016	<u>2,310,856</u>	<u>105,667</u>	<u>2,416,523</u>
NET POSITION, June 30, 2017	\$ <u>2,028,793</u>	\$ <u>106,064</u>	\$ <u>2,134,857</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, 2017
(Page 1 of 2)

	Sewer Fund	Unemployment Fund	Totals Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 699,977	\$ -	\$ 699,977
Cash paid to suppliers for goods and services	(376,373)	-	(376,373)
Cash paid to employees for services	(348,066)	-	(348,066)
Net cash provided (used) by operating activities	(24,462)	-	(24,462)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Fees from sewer connections	17,825	-	17,825
Additions to property, plant and equipment	(58,700)	-	(58,700)
Gain/(Loss) on asset disposal	18,425	-	18,425
Payment on bonds payable	(50,675)	-	(50,675)
Net cash provided (used) by capital and related financing activities	(73,125)	-	(73,125)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Change in due from other funds	17,114	-	17,114
Insurance reimbursements	2,318	-	2,318
Transfers (to) from other funds, net	11,985	-	11,985
Net cash provided (used) by noncapital financing activities	31,417	-	31,417
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest income	2	397	399
Net cash provided (used) by investing activities	2	397	399
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(66,168)	397	(65,771)
CASH AND CASH EQUIVALENTS, July 1, 2016	583,027	105,667	688,694
CASH AND CASH EQUIVALENTS, June 30, 2017	\$ 516,859	\$ 106,064	\$ 622,923

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, 2017
(Page 2 of 2)

	Sewer <u>Fund</u>	Unemployment <u>Fund</u>	Totals Proprietary <u>Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS)			
TO NET CASH PROVIDED (USED) BY			
OPERATING ACTIVITIES:			
Operating income (loss)	\$ (317,392)	\$ -	\$ (317,392)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities -			
Depreciation	289,316	-	289,316
Change in the following assets/liabilities:			
(Increase)/decrease in accounts receivable	6,138	-	6,138
Increase/(decrease) in accounts payable	(321)	-	(321)
Increase/(decrease) in accrued expenses	(23)	-	(23)
Increase/(decrease) in accrued compensated absences	<u>(2,180)</u>	<u>-</u>	<u>(2,180)</u>
Net cash provided (used) by operating activities	\$ <u>(24,462)</u>	\$ <u>-</u>	\$ <u>(24,462)</u>

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

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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 Board). 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, 2017

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.

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

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.

Economic & Community Development Reserve Fund - This fund accounts for the Town's 1% local options tax used to fund economic and community development within the Town.

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

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

1. Summary of significant accounting policies (continued):

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

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, 2017 were payable in two installments due November 2016 and May 2017.

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 \$106,064 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 deposit, 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 value using quoted prices in active markets for identical assets. This is considered a level 1 input valuation technique under the framework established by U.S. GAAP for measuring fair value. The Town does not own investments valued with level 2 or level 3 inputs, which would use quoted prices for similar assets, or in inactive markets, or other methods for estimating fair value.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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 acquisition value. 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	15 - 40 years

- K. Deferred outflows/inflows of resources - In addition to assets and liabilities, deferred outflows of resources and deferred inflows of resources are reported as separate sections in the applicable statement of net position or balance sheet. 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, and trust fund principal to be held in perpetuity.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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. 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 and long-term loans receivable as unavailable revenue as well as certain donations until they are expended.

2. Deposits and investments:

Fair value and classification - Deposits and investments are stated at fair value as described in note 1.I. The classification of investments as of June 30, 2017, as listed on the following page, is as follows:

<u>Investment</u>	<u>Fair Value</u>
Corporate bonds - domestic	\$ 288,389
Corporate bonds - international	21,573
Corporate stock - domestic	754,490
Corporate stock - international	115,979
Mutual funds	<u>435,044</u>
	\$ <u>1,615,475</u>

Custodial credit risk - 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. Custodial credit risk for investments is the risk that, in the event of the 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. As of June 30, 2017, the Town's depository accounts were fully insured or collateralized.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

2. Deposits and investments (continued):

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, 2017 include the Town's corporate bonds totaling \$309,962 with \$47,545 maturing in less than one year (includes international corporate bonds of \$21,573), and \$262,417 maturing in one to five 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+	\$ 26,620
AA-	53,276
A+	21,573
A	130,736
BBB+	25,957
BBB	<u>51,800</u>
	\$ <u>309,962</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, 2017, \$137,552 of the Town's total investment of \$1,615,475 was invested in international corporate stock and corporate bonds that are subject to foreign currency risk.

3. Capital assets:

Capital asset activity for the year ended June 30, 2017 was as follows:

	<u>Balance</u> <u>July 1, 2016</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>June 30, 2017</u>
Governmental activities -				
Capital assets, not depreciated:				
Land	\$ 642,570	\$ -	\$ -	\$ 642,570
Construction in process	<u>165,816</u>	<u>6,690</u>	<u>163,441</u>	<u>9,065</u>
Total capital assets, not depreciated	<u>808,386</u>	<u>6,690</u>	<u>163,441</u>	<u>651,635</u>
Capital assets, depreciated:				
Land improvements	10,922	-	-	10,922
Buildings and improvements	4,763,948	218,107	-	4,982,055
Vehicles and equipment	3,103,326	200,426	125,858	3,177,894
Office equipment and computers	576,194	72,971	-	649,165
Infrastructure	<u>5,539,386</u>	<u>-</u>	<u>-</u>	<u>5,539,386</u>
Total capital assets, depreciated	<u>13,993,776</u>	<u>491,504</u>	<u>125,858</u>	<u>14,359,422</u>

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

3. Capital assets (continued):

	Balance <u>July 1, 2016</u>	<u>Increase</u>	<u>Decrease</u>	Balance <u>June 30, 2017</u>
Governmental activities (continued) -				
Less accumulated depreciation for:				
Land improvements	765	437	-	1,202
Buildings and improvements	2,031,350	124,098	-	2,155,448
Vehicles and equipment	1,591,206	219,821	120,395	1,690,632
Office equipment and computers	321,623	44,209	-	365,832
Infrastructure	512,100	139,472	-	651,572
Total accumulated depreciation	4,457,044	528,037	120,395	4,864,686
Total capital assets, depreciated, net	9,536,732	(36,533)	5,463	9,494,736
Capital assets, net, governmental activities	10,345,118	(29,843)	168,904	10,146,371
Business-type activities -				
Capital assets, not depreciated:				
Land	36,164	-	-	36,164
Construction in progress	13,855	-	-	13,855
Total capital assets, not depreciated	50,019	-	-	50,019
Capital assets, depreciated:				
Sewer treatment plant	4,520,437	18,590	-	4,539,027
Vehicles and equipment	388,591	40,110	27,944	400,757
Office equipment and computers	12,834	-	-	12,834
Infrastructure	2,280,109	-	-	2,280,109
Total capital assets, depreciated	7,201,971	58,700	27,944	7,232,727
Less accumulated depreciation for:				
Sewer treatment plant	2,919,232	120,254	-	3,039,486
Vehicles and equipment	312,228	15,966	27,944	300,250
Office equipment and computers	8,206	1,088	-	9,294
Infrastructure	1,981,176	152,008	-	2,133,184
Total accumulated depreciation	5,220,842	289,316	27,944	5,482,214
Total capital assets, depreciated, net	1,981,129	(230,616)	-	1,750,513
Capital assets, net, business-type activities	2,031,148	(230,616)	-	1,800,532
Capital assets, net	\$ 12,376,266	\$ (260,459)	\$ 168,904	\$ 11,946,903

Depreciation expense of \$528,037 in the governmental activities was allocated to expenses of the general government (\$59,300), public safety (\$143,733), and public works (\$325,004) programs based on capital assets assigned to those functions.

Depreciation expense of \$289,316 in the business-type activities was fully allocated to the sewer function.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

4. Interfund receivable and payable balances:

Interfund receivable and payable balances at June 30, 2017 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, 2017 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental funds -		
General Fund	\$ -	\$ 245,561
Capital Reserve Fund	248,909	-
Community Development Fund	-	100
Permanent Fund	<u>16,350</u>	<u>-</u>
	265,259	245,661
Proprietary funds -		
Sewer Fund	<u>-</u>	<u>19,598</u>
	\$ <u>265,259</u>	\$ <u>265,259</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, 2017 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental funds -		
General Fund	\$ 390,454	\$ 318,034
Capital Reserve Fund	349,634	270,199
Permanent Fund	-	33,649
Economic & Community Development Reserve Fund	<u>-</u>	<u>130,191</u>
	740,088	752,073
Proprietary funds -		
Sewer Fund	<u>43,585</u>	<u>31,600</u>
	\$ <u>783,673</u>	\$ <u>783,673</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, \$266,500 represented voter committed transfers, and \$19,482 in transfers of restricted State of Vermont funds. In addition, management transferred \$32,052 from the General Fund to the Capital Reserve Fund.

Transfers of \$270,199 from the Capital Reserve Fund to the General Fund and Sewer Fund were for the payment of capital expenditures in 2017 which funds had been previously set aside by voters as committed or by the Selectboard as assigned fund balance in the Capital Reserve Fund. Transfers of \$7,899 from the Permanent Fund to the General Fund were for budgeted disbursements of assets from the Permanent Fund and \$25,750 for a project on Mount Tom.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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, 2017, amounts due to the Village of Woodstock were \$5,097.

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 \$204,933 for these services which are based on budgeted amounts and an additional amount of \$118,677 for a total of \$323,610 for police services.

8. Long-term debt:

Outstanding long-term debt as of June 30, 2017 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 at 4.67% interest.	\$ 700,000
Bond payable, for remaining local portion of prior Tropical Storm Irene damage, payable in annual principal and interest payments through July 2030 at 2.49% interest.	624,400
Bond payable, for Little Theater improvements, payable in annual principal and semi-annual interest payments through May 2032 at 3.00% interest.	176,000
Note payable, for grader, payable in annual principal and interest payments through July 2017 at 1.74% interest.	24,367
Note payable, for gator, payable in annual principal and interest payments through December 2018 at 2.242% interest.	9,176
Note payable, for dump truck, payable in annual principal and interest payments through July 2018 at 1.65% interest.	37,500
Note payable, for police cruiser, payable in annual principal and interest payments through July 2018 at 1.65% interest.	15,000
Note payable, for highway truck, payable in annual principal and interest payments through June 2019 at 1.68% interest.	37,500
Note payable, for Welcome Center, payable in annual principal and interest payments through July 2036 at 1.95% interest.	96,000
Note payable, for highway F450 truck, payable in annual principal and interest payments through July 2018 at 1.65% interest.	26,000

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

8. Long-term debt (continued):

Governmental activities (continued) -

Note payable, for Town Manager F150 truck, payable in annual principal and interest payments through July 2020 at 1.98% interest. 26,000

Compensated absences 231,389
2,003,332

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. 150,700

Note payable, for F350 truck, payable in annual principal and interest payments through July 2017 at 1.65% interest. 13,000

Compensated absences 59,906
223,606

\$ 2,226,938

Long-term debt activity for the year ended June 30, 2017 was as follows:

	Balance July 1, <u>2016</u>	<u>Additions</u>	<u>Retirements</u>	Balance June 30, <u>2017</u>	Due Within <u>One Year</u>
Governmental activities -					
Highway garage	\$ 770,000	\$ -	\$ 70,000	\$ 700,000	\$ 70,000
Tropical Storm Irene	669,000	-	44,600	624,400	44,600
Little Theater	176,000	-	-	176,000	22,000
Welcome center	96,000	-	-	96,000	3,861
Equipment note - 2013 Int'l truck	10,077	-	10,077	-	-
Equipment note - Loader	15,167	-	15,167	-	-
Equipment note - Grader	48,318	-	23,951	24,367	24,367
Equipment note - Gator	13,618	-	4,442	9,176	4,542
Equipment note - Dump truck	56,250	-	18,750	37,500	18,750
Equipment note - Cruiser	22,500	-	7,500	15,000	7,500
Equipment note - Highway truck	56,250	-	18,750	37,500	18,750
Equipment note - Highway F450	39,000	-	13,000	26,000	13,000
Equipment note - Manager F150	-	26,000	-	26,000	6,492
Compensated absences	<u>209,144</u>	<u>22,245</u>	<u>-</u>	<u>231,389</u>	<u>-</u>
	<u>2,181,324</u>	<u>48,245</u>	<u>226,237</u>	<u>2,003,332</u>	<u>233,862</u>

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

8. Long-term debt (continued):

	Balance July 1, <u>2016</u>	<u>Additions</u>	<u>Retirements</u>	Balance June 30, <u>2017</u>	Due Within <u>One Year</u>
Business-type activities -					
Sewer fund bond	188,375	-	37,675	150,700	37,675
Equipment note - F350	26,000	-	13,000	13,000	13,000
Compensated absences	62,086	-	2,180	59,906	-
	<u>276,461</u>	<u>-</u>	<u>52,855</u>	<u>223,606</u>	<u>50,675</u>
	\$ <u>2,457,785</u>	\$ <u>48,245</u>	\$ <u>279,092</u>	\$ <u>2,226,938</u>	\$ <u>284,537</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,				
2018	\$ 233,862	\$ 52,896	\$ 50,675	\$ 215
2019	198,664	46,625	37,675	-
2020	136,235	40,794	37,675	-
2021	136,444	33,150	37,675	-
2022	129,896	30,995	-	-
2023-2027	650,769	85,352	-	-
2028-2032	258,477	19,672	-	-
2033-2037	<u>27,596</u>	<u>1,634</u>	<u>-</u>	<u>-</u>
	\$ <u>1,771,943</u>	\$ <u>311,118</u>	\$ <u>163,700</u>	\$ <u>215</u>

9. Fund balances:

As of June 30, 2017, 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>Economic & Community Development Reserve Fund</u>	<u>Totals</u>
Nonspendable:					
Prepaid expenditures	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Endowment principal	<u>-</u>	<u>-</u>	<u>1,310,739</u>	<u>-</u>	<u>1,310,739</u>
	<u>5,000</u>	<u>-</u>	<u>1,310,739</u>	<u>-</u>	<u>1,315,739</u>

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

9. Fund balances (continued):

	General Fund	Capital Reserve Fund	Permanent Fund	Economic & Community Development Reserve Fund	Totals
Restricted for:					
Fireworks	4,043	-	-	-	4,043
Listers' education	210	894	-	-	1,104
Grand list reappraisal	18,687	25,915	-	-	44,602
Benefit of the Town	-	-	671,977	-	671,977
	<u>22,940</u>	<u>26,809</u>	<u>671,977</u>	<u>-</u>	<u>721,726</u>
Committed to:					
Capital projects and equipment	-	582,488	-	-	582,488
Capital projects and equipment - sewer	-	394,941	-	-	394,941
	<u>-</u>	<u>977,429</u>	<u>-</u>	<u>-</u>	<u>977,429</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	34,304	-	-	-	34,304
Economic and community development	-	-	-	218,588	218,588
Capital projects and equipment	-	232,739	-	-	232,739
Capital projects and equipment - sewer	-	90,095	-	-	90,095
	<u>122,976</u>	<u>322,834</u>	<u>-</u>	<u>218,588</u>	<u>664,398</u>
Unassigned	(82,128)	6,758	-	-	(75,370)
	<u>\$ 68,788</u>	<u>\$ 1,333,830</u>	<u>\$ 1,982,716</u>	<u>\$ 218,588</u>	<u>\$ 3,603,922</u>

For the year ended June 30, 2017, the changes in the Capital Reserve Fund's fund balances can be found on the following page.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

9. Fund balances (continued):

	Balance July 1, 2016	Transfers In	Transfers Out	Reallocations and Interest	Balance June 30, 2017
General expenditures:					
Listers' education	\$ 89	\$ 805	\$ -	\$ -	\$ 894
Grand list reappraisal	14,587	18,677	7,349	-	25,915
Total restricted general expenditures	14,676	19,482	7,349	-	26,809
Recycling	452	-	-	-	452
Town hall construction	-	20,000	20,000	-	-
Town plan consulting	3,000	1,000	-	-	4,000
Grand list update	92,158	-	-	(92,158)	-
Office equipment	16,359	1,500	917	(5,000)	11,942
Town Clerk vault	33,750	1,500	-	-	35,250
Computer equipment	11,334	2,500	467	(3,000)	10,367
Lister's equipment	8,017	1,000	600	-	8,417
Town Clerk office equipment	1,500	-	-	-	1,500
Trucks	58,240	55,000	139,887	125,000	98,353
Backhoe	781	-	-	-	781
Manager's pick-up	9,210	1,500	-	-	10,710
Highway pick-up	4,377	-	-	-	4,377
Paving	25,000	10,000	22,267	-	12,733
Bridge construction	45,834	50,000	-	-	95,834
Ambulance	12,951	25,000	2,419	2,500	38,032
Cardiac monitors	-	29,000	27,748	-	1,252
Pave ESB Lot	859	-	859	-	-
Generator - Fire Department	175	5,000	-	-	5,175
Air packs - Fire Department	-	2,500	2,500	-	-
Fire truck	60,000	20,000	-	-	80,000
Bunker gear	-	5,000	-	-	5,000
Fire pager replacement	2,874	2,000	-	-	4,874
Communications	13,819	6,000	-	-	19,819
Communications computer	5,462	-	-	-	5,462
Vail Field improvements	-	25,000	-	100,158	125,158
Cemetery improvements	-	3,000	-	-	3,000
Total committed general expenditures	406,152	266,500	217,664	127,500	582,488
Restoration of records	94,002	7,052	-	-	101,054
Road improvements	3,224	-	-	-	3,224
Bridge construction	35,000	25,000	-	-	60,000
Storm drains	8,402	-	-	-	8,402
Salt and sand	2,647	-	-	-	2,647
Vail Field improvements	125,000	-	-	(125,000)	-

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

9. Fund balances (continued):

	Balance July 1, 2016	Transfers In	Transfers Out	Reallocations and Interest	Balance June 30, 2017
General expenditures (continued):					
Ambulance - VLCT grant	2,500	-	-	(2,500)	-
Ambulance	4,000	-	-	-	4,000
Air packs	1,600	-	1,600	-	-
Selectboard contingency	53,412	-	-	-	53,412
Total assigned general expenditures	329,787	32,052	1,600	(127,500)	232,739
Unassigned	2,370	-	-	-	2,370
Total general expenditures	752,985	318,034	226,613	-	844,406
Sewer expenditures:					
I.I. Study	20,000	-	-	-	20,000
Pick-up truck	16,089	3,000	19,089	-	-
Dechlorination equipment	1,214	-	-	-	1,214
Tractor	86,336	5,000	-	-	91,336
Manager's pick-up - sewer	4,023	600	-	-	4,623
Test/monitor wells	4,508	-	-	-	4,508
Sludge disposal truck	216,378	3,000	-	-	219,378
Repairs and maintenance - sewer	657	20,000	20,471	-	186
Ton truck - sewer	1,670	-	1,670	-	-
Line flusher	40,000	-	-	-	40,000
TV camera	10,000	-	-	-	10,000
Sewer line maintenance	3,696	-	-	-	3,696
Total committed sewer expenditures	404,571	31,600	41,230	-	394,941
Dechlorination equipment	4,000	-	-	-	4,000
Assigned sewer capital expenditures	86,095	-	-	-	86,095
Total assigned sewer expenditures	90,095	-	-	-	90,095
Unassigned	6,661	-	2,356	83	4,388
Total sewer expenditures	501,327	31,600	43,586	83	489,424
Total Capital Reserve Fund \$	<u>1,254,312</u>	<u>\$ 349,634</u>	<u>\$ 270,199</u>	<u>\$ 83</u>	<u>\$ 1,333,830</u>

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

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

10. Pension plan (continued):

Vermont Municipal Employees' Retirement System (continued) -

available and may be reviewed at the VMERS' office, 109 State Street, Montpelier, Vermont, 05609-6200, by calling (802) 828-2305 or online at <http://www.vermonttreasurer.gov>.

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), 4.875% (Group B), or 10.0% (Group C) or 11.35% (Group D) of their annual covered salary, and the Town is required to contribute 4.0% (Group A), 5.5% (Group B), or 7.25% (Group C) or 9.85% (Group D) of the employees' compensation. Defined Contribution Plan members are required to contribute 5.0% of their annual covered salary and the Town is required to contribute an equal dollar amount. 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, 2017, 2016, and 2015 were \$61,571, \$72,357, and \$65,619, respectively. The amounts contributed were equal to the required contributions for each year.

Pension liabilities, deferred outflows of resources, deferred inflows of resources: These financial statements include the Town's proportionate share of the 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. The State of Vermont has provided the following information to all employers participating in VMERS, which is based on its calculation of the Town and Village of Woodstock's combined 0.74193% proportionate share of VMERS Defined Benefit Plan. In addition, Town management has estimated 0.37467% and 0.09445% 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. Village of Woodstock management has estimated that the Village of Woodstock has a 0.27281% proportionate share of the total VMERS net pension liability.

	Town (Excluding Sewer Department)	Sewer Department
Town share of VMERS net pension liability	\$ 482,189	\$ 121,550
Deferred outflow of resources - Deferred pension expense	\$ 309,780	\$ 78,087
Deferred inflow of resources - Deferred pension credits	\$ 2,931	\$ 739

Additional 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,

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

10. Pension plan (continued):

Vermont Municipal Employees' Retirement System (continued) -

investment rates of return, mortality rates, discount rates, and the calculations used to develop annual contributions and the VMERS net position.

The Town adopted GASB Statement No. 68 in FY 2015 and is developing the ten years of required supplementary information in schedules 5 and 6. This historical pension information includes the Town's Proportionate Share of Net Pension Liability of VMERS and Town's contributions to VMERS.

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, 2017 the Town had \$995,000 outstanding on a note receivable, with a security interest in the real and personal property, due March 2045 with no interest.

12. Commitment:

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, 2017, the Town has recorded lease expense of \$92,000 related to this agreement.

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

Schedule 1
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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
REVENUES:			
Property taxes -			
Current (net of taxes abated)	\$ 3,419,461	\$ 3,517,650	\$ 98,189
In lieu of taxes and land use	<u>257,000</u>	<u>250,754</u>	<u>(6,246)</u>
Total property taxes	<u>3,676,461</u>	<u>3,768,404</u>	<u>91,943</u>
Licenses and permits -			
Licenses and fees	52,500	51,645	(855)
Boards and agencies	<u>12,000</u>	<u>11,671</u>	<u>(329)</u>
Total licenses and permits	<u>64,500</u>	<u>63,316</u>	<u>(1,184)</u>
Intergovernmental -			
Highway State Aid	133,000	208,881	75,881
Miscellaneous State of Vermont	-	19,887	19,887
Grants	<u>-</u>	<u>115,261</u>	<u>115,261</u>
Total intergovernmental	<u>133,000</u>	<u>344,029</u>	<u>211,029</u>
Charges for services -			
False alarms and permits	9,200	9,420	220
Ambulance services	440,500	471,568	31,068
Police fees	<u>64,730</u>	<u>66,570</u>	<u>1,840</u>
Total charges for services	<u>514,430</u>	<u>547,558</u>	<u>33,128</u>
Fines and forfeits -			
Moving violations	4,000	-	(4,000)
Delinquent tax penalties and interest	<u>125,000</u>	<u>113,847</u>	<u>(11,153)</u>
Total fines and forfeits	<u>129,000</u>	<u>113,847</u>	<u>(15,153)</u>
Investment income	<u>100</u>	<u>311</u>	<u>211</u>
Miscellaneous -			
Rental income	25,000	29,381	4,381
Miscellaneous	<u>67,000</u>	<u>18,323</u>	<u>(48,677)</u>
Total miscellaneous	<u>92,000</u>	<u>47,704</u>	<u>(44,296)</u>
Total revenues	<u>4,609,491</u>	<u>4,885,169</u>	<u>275,678</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

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	390	306	(84)
Community television	2,400	1,000	(1,400)
Dues, subscriptions, and meetings	5,000	4,625	(375)
Total legislating	<u>12,790</u>	<u>10,931</u>	<u>(1,859)</u>
Printing orders and proceedings -			
Printing and binding	<u>4,500</u>	<u>5,528</u>	<u>1,028</u>
Legal -			
Professional services	<u>2,000</u>	<u>25,199</u>	<u>23,199</u>
Total Town Selectboard	<u>19,290</u>	<u>41,658</u>	<u>22,368</u>
Town Executive Department:			
Managing municipality -			
Salaries and wages	89,750	89,397	(353)
Benefits	33,150	30,692	(2,458)
Dues, subscriptions, and meetings	1,400	1,116	(284)
Total Town Executive Department	<u>124,300</u>	<u>121,205</u>	<u>(3,095)</u>
Town Administration:			
Office supplies	3,500	3,241	(259)
Operating supplies	3,200	3,002	(198)
Postage	4,200	3,541	(659)
Equipment maintenance	3,000	2,373	(627)
Machinery and equipment	1,300	2,562	1,262
Communication	3,500	4,216	716
Advertising	2,500	3,163	663
Total Town Administration	<u>21,200</u>	<u>22,098</u>	<u>898</u>
Town Finance Department:			
Treasurer -			
Salaries and wages	16,000	16,000	-
Benefits	1,400	1,224	(176)
Travel and transportation	2,200	2,368	168
Dues, subscriptions, and meetings	100	20	(80)
Total Treasurer	<u>19,700</u>	<u>19,612</u>	<u>(88)</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

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	42,750	46,750	4,000
Benefits	13,300	13,563	263
Other purchased services	800	750	(50)
Professional services	200	358	158
Software upgrades	100	-	(100)
Total accounting and bookkeeping	<u>57,150</u>	<u>61,421</u>	<u>4,271</u>
Auditing -			
Professional services	<u>15,000</u>	<u>11,300</u>	<u>(3,700)</u>
Tax Listing -			
Salaries and wages	74,100	73,613	(487)
Benefits	37,275	23,471	(13,804)
Operating supplies	150	158	8
Dues, subscriptions, and meetings	800	750	(50)
Professional services	200	100	(100)
Travel and transportation	400	644	244
Other purchased services	350	215	(135)
Repairs and maintenance	100	705	605
Licensed state support	350	-	(350)
Total tax listing	<u>113,725</u>	<u>99,656</u>	<u>(14,069)</u>
Tax Collecting -			
Salaries and wages	15,425	15,805	380
Benefits	5,225	6,567	1,342
Legal services	-	6,697	6,697
Total tax collecting	<u>20,650</u>	<u>29,069</u>	<u>8,419</u>
Total Town Finance Department	<u>226,225</u>	<u>221,058</u>	<u>(5,167)</u>
Town Administration Department:			
Town Clerk -			
Salaries and wages	60,925	56,261	(4,664)
Assistant Town Clerk wages	18,000	27,741	9,741
Benefits	26,925	39,693	12,768
Record retention	3,200	2,012	(1,188)
Other purchased services	300	28	(272)
Dues, subscriptions, and meetings	600	768	168
Machinery and equipment	500	423	(77)
Copier lease	-	996	996
Restoration of records	50	-	(50)
Office supplies	250	309	59
Total Town Clerk	<u>110,750</u>	<u>128,231</u>	<u>17,481</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

Schedule 1
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	Original and Final Budget	Actual (Budgetary Basis)	Variance Over (Under)
EXPENDITURES (CONTINUED):			
General Government (continued) -			
Town Administration Department (continued):			
Board of Civil Authority -			
Salaries and wages, including volunteers	1,000	1,128	128
Election wages	2,000	1,734	(266)
Office/printing supplies	6,000	3,527	(2,473)
Total Board of Civil Authority	<u>9,000</u>	<u>6,389</u>	<u>(2,611)</u>
Total Town Administration Department	<u>119,750</u>	<u>134,620</u>	<u>14,870</u>
Municipal Planning and Zoning:			
Salaries and wages	71,675	70,178	(1,497)
Benefits	32,775	25,690	(7,085)
Advertising	2,500	2,241	(259)
Dues, subscriptions, and meetings	6,000	3,197	(2,803)
Travel and transportation	4,000	3,871	(129)
Professional services	500	-	(500)
Conservation Commission	500	235	(265)
Equipment purchase	250	124	(126)
GIS mapping	100	-	(100)
Total Municipal Planning and Zoning	<u>118,300</u>	<u>105,536</u>	<u>(12,764)</u>
Town Plant and Equipment:			
Building and maintenance - Town Hall -			
Custodial services	10,000	8,713	(1,287)
Operating supplies	2,500	5,637	3,137
Small tools and equipment	500	270	(230)
Other purchased services	10,000	12,228	2,228
Repair and maintenance	6,000	7,154	1,154
Utilities	48,000	36,481	(11,519)
Improvements	1,000	85	(915)
Total Town Plant and Equipment	<u>78,000</u>	<u>70,568</u>	<u>(7,432)</u>
Select Board Contingency			
Unclassified	30,000	13,797	(16,203)
House numbers	500	214	(286)
Economic development reserve fund	222,000	-	(222,000)
Insurance	160,000	168,570	8,570
Total Town Contingency Department	<u>412,500</u>	<u>182,581</u>	<u>(229,919)</u>
Total General Government expenditures	<u>1,119,565</u>	<u>899,324</u>	<u>(220,241)</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

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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	6,688	1,688
Benefits	400	512	112
Operating supplies	500	-	(500)
Office supplies	200	-	(200)
Repair and maintenance supplies	100	-	(100)
Animal control	-	500	500
Communications	200	-	(200)
Other purchased services	200	20	(180)
Machinery and equipment	200	-	(200)
Mileage - Blue Light	700	-	(700)
Total Town Constables	<u>7,500</u>	<u>7,720</u>	<u>220</u>
Town Communications Department:			
Salaries and wages	203,000	218,148	15,148
Training wages	2,000	4,007	2,007
Residency stipend	1,600	550	(1,050)
EMT stipend	725	660	(65)
Benefits	58,000	72,353	14,353
Office supplies	1,500	1,231	(269)
Repairs and maintenance supplies	500	985	485
Small tools and equipment	400	711	311
Communications	5,300	7,473	2,173
Tower rent	3,100	4,870	1,770
Tower maintenance	200	211	11
Repairs and maintenance	1,200	602	(598)
Machinery and equipment	800	856	56
Training/tuition	200	655	455
Travel and transportation	200	325	125
Operating supplies	1,200	1,184	(16)
Total Town Communications Department	<u>279,925</u>	<u>314,821</u>	<u>34,896</u>
Town Fire Department:			
Firefighting -			
Salaries and wages	76,000	60,620	(15,380)
Benefits	6,150	4,714	(1,436)
Operating supplies	2,000	2,703	703
Dues, subscriptions, and meetings	900	655	(245)
Professional services	2,000	75	(1,925)
Medical testing	750	155	(595)
CDL licensing	500	86	(414)
Travel and transportation	200	-	(200)
Fire prevention	1,000	-	(1,000)
Education	2,500	1,385	(1,115)

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

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	23,000	25,200	2,200
Winter hydrant maintenance	3,600	3,500	(100)
Total firefighting	<u>118,600</u>	<u>99,093</u>	<u>(19,507)</u>
Fire communications -			
Alarm registration	200	-	(200)
Communications	3,000	3,176	176
Fireground radios	16,000	16,996	996
Repairs and maintenance	3,000	-	(3,000)
Machinery and equipment	2,500	25	(2,475)
Total fire communications	<u>24,700</u>	<u>20,197</u>	<u>(4,503)</u>
Fire truck and equipment -			
Fire truck capital lease	-	-	-
Storage trailer	-	-	-
Operating supplies	1,200	1,327	127
Repairs and maintenance	2,000	42	(1,958)
Fuel	1,500	418	(1,082)
Engine/tanker maintenance	8,500	10,745	2,245
Total fire truck and equipment	<u>13,200</u>	<u>12,532</u>	<u>(668)</u>
Fire fighting equipment -			
Operating supplies	500	70	(430)
Rescue equipment	800	-	(800)
Air pack maintenance and equipment	2,600	22,285	19,685
Bunker gear	1,000	4,997	3,997
Hose and hose adapters	1,000	-	(1,000)
Small tools and equipment	400	-	(400)
Equipment maintenance and reserve	1,000	671	(329)
Equipment purchase	2,000	-	(2,000)
Total fire fighting equipment	<u>9,300</u>	<u>28,023</u>	<u>18,723</u>
Woodstock Station #2 -			
Maintenance supplies	150	135	(15)
Repairs and maintenance	1,000	1,215	215
Propane	1,200	2,712	1,512
Electricity	850	714	(136)
Utilities	1,800	2,820	1,020
Total Woodstock Station #2	<u>5,000</u>	<u>7,596</u>	<u>2,596</u>
Total Town Fire Department	<u>170,800</u>	<u>167,441</u>	<u>(3,359)</u>
Town Ambulance Department:			
Operations -			
Salaries and wages, including volunteer services	51,000	62,899	11,899
Associates' salaries	202,700	239,250	36,550

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

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 Ambulance Department (continued):			
Operations (continued) -			
Benefits	6,500	24,140	17,640
Office supplies	3,000	2,921	(79)
Operating supplies	23,000	33,026	10,026
Repairs and maintenance supplies	100	738	638
Paramedic supplies	2,500	6,717	4,217
Billing software	4,300	4,704	404
Other purchased services	2,600	5,655	3,055
Dues, subscriptions, and meetings	750	796	46
Uncollectible accounts	25,000	22,463	(2,537)
Personal protection equipment	4,000	4,833	833
Communications	100	500	400
Contract services	-	19,327	19,327
Paramedic intercept	13,000	11,112	(1,888)
Medical testing	300	-	(300)
Medical insurance allowance	100	-	(100)
Total operations	<u>338,950</u>	<u>439,081</u>	<u>100,131</u>
Vehicle maintenance -			
Small tools and equipment	1,400	878	(522)
Repair and maintenance	8,000	12,173	4,173
Communications	-	-	-
Fuel	6,000	2,917	(3,083)
Total vehicle maintenance	<u>15,400</u>	<u>15,968</u>	<u>568</u>
Training -			
Salaries and wages	7,000	3,130	(3,870)
Benefits	535	317	(218)
Operating supplies	1,100	1,449	349
Small tools and equipment	300	211	(89)
Dues, subscriptions and meetings	200	380	180
Professional services	1,500	1,188	(312)
State EMS training	5,000	15,289	10,289
Travel and transportation	500	137	(363)
Total training	<u>16,135</u>	<u>22,101</u>	<u>5,966</u>
Communications -			
Office phone and internet	1,800	1,949	149
Vehicle cell phones	1,000	-	(1,000)
Pagers	1,000	1,529	529
Portable radios	1,000	2,989	1,989
Vehicle mobile radios	500	68	(432)
Total communications	<u>5,300</u>	<u>6,535</u>	<u>1,235</u>
Total Town Ambulance Department	<u>375,785</u>	<u>483,685</u>	<u>107,900</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

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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) -			
Emergency Services Department:			
Maintenance supplies	1,400	812	(588)
Painting exterior of ESB	100	-	(100)
Equipment repair and maintenance	7,000	13,367	6,367
Building custodian	4,400	5,568	1,168
Propane	4,500	1,563	(2,937)
Electricity	10,000	9,694	(306)
Utilities	2,500	4,837	2,337
Total Emergency Services Department	<u>29,900</u>	<u>35,841</u>	<u>5,941</u>
Town Police Department:			
Salaries and wages	74,900	75,729	829
Employer paid benefits	17,450	25,242	7,792
Training wages	1,300	1,178	(122)
Stipend	2,200	-	(2,200)
Training paid benefits	200	-	(200)
Uniform service	1,300	1,246	(54)
Repairs and maintenance of vehicles	2,500	2,058	(442)
Small tools and equipment	500	472	(28)
4x4 Vehicle lease	7,250	7,874	624
4x4 Radio, lights, radar	800	799	(1)
Flashing radar speed signs	4,000	-	(4,000)
Communications	-	300	300
Fuel	2,500	2,903	403
Dues, subscriptions and meetings	-	126	126
Tuition	750	750	-
Total Town Police Department	<u>115,650</u>	<u>118,677</u>	<u>3,027</u>
Amounts paid to Village for police services	<u>204,933</u>	<u>204,933</u>	<u>-</u>
Total Town Police Services	<u>320,583</u>	<u>323,610</u>	<u>3,027</u>
Total Public Safety expenditures	<u>1,184,493</u>	<u>1,333,118</u>	<u>148,625</u>
Public Works -			
Highways and Streets:			
Highway maintenance -			
Salaries and wages	265,550	267,261	1,711
Overtime	35,000	45,637	10,637
Benefits	120,000	137,441	17,441
Office supplies	250	-	(250)
Operating supplies	28,000	23,086	(4,914)
Emergency work	-	12,555	12,555
Small tools and equipment	500	300	(200)
Communications	1,500	5,400	3,900
Other purchased services	20,000	22,240	2,240
Professional services	1,000	-	(1,000)
Rentals	500	300	(200)

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

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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)	60,000	43,321	(16,679)
Spot gravel	70,000	57,043	(12,957)
Road stabilization	25,000	26,517	1,517
Pavement patch	1,000	862	(138)
Salt and sand	115,000	150,672	35,672
Total highway maintenance	<u>743,300</u>	<u>792,635</u>	<u>49,335</u>
Construction -			
Other purchased services	2,000	-	(2,000)
Rentals	500	-	(500)
Paving	10,000	10,000	-
Unclassified	15,000	4,748	(10,252)
Total construction	<u>27,500</u>	<u>14,748</u>	<u>(12,752)</u>
Maintenance of storm drains -			
Culverts and drains	<u>6,000</u>	<u>4,973</u>	<u>(1,027)</u>
Construction and maintenance of bridges -			
Operating supplies	2,000	36	(1,964)
Repair and maintenance supplies	6,000	182	(5,818)
Other purchased services	10,000	3,470	(6,530)
Bridge rehabilitation and miscellaneous	30,000	11,290	(18,710)
Rentals	500	-	(500)
Engineering services	1,000	5,278	4,278
Total construction and maintenance of bridges	<u>49,500</u>	<u>20,256</u>	<u>(29,244)</u>
Traffic control -			
Operating supplies	2,750	3,174	424
Equipment repairs and maintenance	500	186	(314)
Total traffic control	<u>3,250</u>	<u>3,360</u>	<u>110</u>
Street lights -			
Utilities	<u>12,000</u>	<u>11,270</u>	<u>(730)</u>
Equipment maintenance and purchase -			
Repairs and maintenance supplies	40,000	43,859	3,859
Small tools and equipment	1,000	-	(1,000)
Communications	500	-	(500)
Operating supplies	8,000	5,741	(2,259)
Backhoe note	17,200	-	(17,200)
Loader note	16,000	15,891	(109)
Grader note	25,000	24,792	(208)

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

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	13,440	(560)
Dump truck notes	64,300	49,686	(14,614)
Other purchased services	4,000	4,479	479
Total equipment maintenance and purchase	<u>190,000</u>	<u>157,888</u>	<u>(32,112)</u>
Public Works building -			
Repairs and maintenance	2,250	2,811	561
Utilities	18,000	17,987	(13)
Bond payment - principal	70,000	70,000	-
- interest	34,000	33,301	(699)
Total Public Works building	<u>124,250</u>	<u>124,099</u>	<u>(151)</u>
Total Highway and Streets expenditures	<u>1,155,800</u>	<u>1,129,229</u>	<u>(26,571)</u>
Cemetery:			
Other purchased services	14,000	11,968	(2,032)
Repairs and maintenance	1,000	1,000	-
Total Cemetery expenditures	<u>15,000</u>	<u>12,968</u>	<u>(2,032)</u>
Sanitation:			
Sanitation	36,500	36,635	135
Total Public Works expenditures	<u>1,207,300</u>	<u>1,178,832</u>	<u>(28,468)</u>
Culture and Recreation -			
Culture and Recreation:			
Woodstock Council on Aging	10,400	10,400	-
Parades	1,500	4,125	2,625
Pentangle	33,850	33,850	-
Little Theatre - principal	11,000	-	(11,000)
- interest	5,500	5,272	(228)
Woodstock Recreation Department	284,600	284,600	-
Grants, subsidies and contributions, Town Library	142,000	142,000	-
Fireworks	7,500	10,000	2,500
July 4th celebration	-	2,650	2,650
Billings park	-	733	733
Elementary school space rent	92,000	92,000	-
Total culture and recreation	<u>588,350</u>	<u>585,630</u>	<u>(2,720)</u>
Public Health Services:			
Salaries and wages	6,000	6,000	-
Benefits	450	459	9
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, 2017

Schedule 1
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	<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>6,750</u>	<u>6,459</u>	<u>(291)</u>
Total Culture and Recreation expenditures	<u>595,100</u>	<u>592,089</u>	<u>(3,011)</u>
Comfort Station -			
Maintenance supplies	2,500	2,147	(353)
Custodial services	19,000	19,326	326
Propane	600	1,212	612
Electricity	800	1,341	541
Miscellaneous utilities	4,000	1,434	(2,566)
Building improvements	-	17,741	17,741
Building repairs and maintenance	<u>1,000</u>	<u>2,336</u>	<u>1,336</u>
Total Comfort Station expenditures	<u>27,900</u>	<u>45,537</u>	<u>17,637</u>
Intergovernmental -			
Highway rebate	<u>220,000</u>	<u>246,198</u>	<u>26,198</u>
Special Articles -			
Trustee of Public Fund Wages	900	600	(300)
Trust fund audit	1,500	-	(1,500)
Woodstock Area Job Bank	3,000	3,000	-
Woodstock Council on Aging	32,136	32,136	-
Visiting Nurses	24,900	24,900	-
SE Community Action SEVCA	2,500	2,500	-
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	25,000	25,000	-
Senior Solutions	<u>1,500</u>	<u>1,500</u>	<u>-</u>
Total Special Articles expenditures	<u>195,433</u>	<u>193,633</u>	<u>(1,800)</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

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	-	600	600
Tax map update - reappraisal	15,000	7,349	(7,651)
Town Hall improvements	40,000	20,000	(20,000)
Bridges	50,000	-	(50,000)
Paving	-	22,267	22,267
Office equipment	-	917	917
Culverts and stormwater	20,000	-	(20,000)
Dump truck purchase	60,000	139,887	79,887
Truck purchase	-	28,592	28,592
Gator note principal	-	4,442	4,442
Gator note interest	-	306	306
Ambulance equipment	-	3,359	3,359
Fire department bunker gear	4,000	-	(4,000)
Fire department airpacks	-	4,100	4,100
Communications	41,000	27,748	(13,252)
Ambulance purchase	-	2,420	2,420
Computer equipment replacement	-	467	467
Total Capital Reserve Spending expenditures	<u>230,000</u>	<u>262,454</u>	<u>32,454</u>
Tropical Storm Irene -			
Bond repayment	44,600	44,600	-
Bond interest	<u>18,500</u>	<u>16,100</u>	<u>(2,400)</u>
Total Tropical Storm Irene	<u>63,100</u>	<u>60,700</u>	<u>(2,400)</u>
Grants -			
Highway	-	75,701	75,701
Cox Road	-	6,690	6,690
Better back roads	-	5,571	5,571
Mt. Tom	<u>-</u>	<u>128,750</u>	<u>128,750</u>
Total Grants expenditures	<u>-</u>	<u>216,712</u>	<u>216,712</u>
Total expenditures	<u>4,842,891</u>	<u>5,028,597</u>	<u>185,706</u>
EXCESS OF REVENUES OR (EXPENDITURES)	<u>(233,400)</u>	<u>(143,428)</u>	<u>(89,972)</u>
OTHER FINANCING SOURCES (USES):			
Note proceeds	222,000	26,000	(196,000)
Transfers in	237,900	390,454	152,554
Transfers out	<u>(266,500)</u>	<u>(318,034)</u>	<u>51,534</u>
Total other financing sources (uses)	<u>193,400</u>	<u>98,420</u>	<u>(94,980)</u>
NET CHANGE IN FUND BALANCE	\$ <u><u>(40,000)</u></u>	\$ <u><u>(45,008)</u></u>	\$ <u><u>5,008</u></u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL - SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2017

Schedule 2
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	Original and Final <u>Budget</u>	Actual (Budgetary Basis) <u>Basis</u>	Variance Over (Under) <u>(Under)</u>
OPERATING REVENUES:			
User fees	\$ 696,000	\$ 693,784	\$ (2,216)
Miscellaneous	<u>2,000</u>	<u>56</u>	<u>(1,944)</u>
Total operating revenues	<u>698,000</u>	<u>693,840</u>	<u>(4,160)</u>
OPERATING EXPENSES:			
Sewer administration -			
Salaries and wages	52,700	53,504	804
Benefits	17,800	18,303	503
Office supplies	1,400	2,388	988
Legal services	100	-	(100)
Communications	1,000	2,797	1,797
Professional services	6,600	8,700	2,100
Computer expense	<u>500</u>	<u>-</u>	<u>(500)</u>
Total sewer administration	<u>80,100</u>	<u>85,692</u>	<u>5,592</u>
Sewer operations -			
Salaries and wages	30,900	26,602	(4,298)
Benefits	13,850	14,502	652
Operating supplies	5,000	5,675	675
Professional services	3,000	178	(2,822)
Engineering services	10,000	17,916	7,916
Rentals	400	-	(400)
Repairs and maintenance	6,000	4,497	(1,503)
Machinery and equipment	500	2,147	1,647
Sewer line maintenance equipment	600	142	(458)
Sewer line cleaning	10,000	11,749	1,749
I.I. Improvements	<u>100</u>	<u>-</u>	<u>(100)</u>
Total sewer operations	<u>80,350</u>	<u>83,408</u>	<u>3,058</u>
Maintenance of plant -			
Salaries and wages	153,975	156,808	2,833
Benefits	63,200	76,167	12,967
Office supplies	600	297	(303)
Operating supplies	49,000	46,520	(2,480)
Repairs and maintenance supplies	7,000	7,050	50
Contingencies	10,000	12,797	2,797
Professional services	8,000	371	(7,629)
Small tools and equipment	<u>2,000</u>	<u>1,148</u>	<u>(852)</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL - SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2017

Schedule 2
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	Original and Final <u>Budget</u>	Actual (Budgetary Basis) <u>Basis)</u>	Variance Over (Under) <u>(Under)</u>
OPERATING EXPENSES (CONTINUED):			
Maintenance of plant (continued) -			
Communications	4,800	4,954	154
Dues, subscriptions, and meetings	1,500	506	(994)
Insurance and fidelity bond premiums	23,000	43,614	20,614
Other purchased services	15,000	16,047	1,047
Repairs and maintenance	17,000	10,886	(6,114)
Taxes, licensing and regulations	1,200	1,971	771
Travel and transportation	1,000	66	(934)
Utilities	82,500	90,589	8,089
Test/monitor wells	500	100	(400)
Laboratory testing	22,000	17,082	(4,918)
Field rental	13,500	11,932	(1,568)
Field lime	1,000	-	(1,000)
Uniforms and protective gear	5,000	3,216	(1,784)
Engineering	12,000	7,450	(4,550)
Bond repayment	<u>37,675</u>	<u>-</u>	<u>(37,675)</u>
Total maintenance of plant	<u>531,450</u>	<u>509,571</u>	<u>(21,879)</u>
Sewer vehicles -			
Repairs and maintenance supplies	17,500	22,758	5,258
Travel and transportation	<u>7,000</u>	<u>4,987</u>	<u>(2,013)</u>
Total sewer vehicles	<u>24,500</u>	<u>27,745</u>	<u>3,245</u>
Construction	<u>200,000</u>	<u>15,500</u>	<u>(184,500)</u>
Depreciation	<u>-</u>	<u>289,316</u>	<u>289,316</u>
Total operating expenses	<u>916,400</u>	<u>1,011,232</u>	<u>94,832</u>
Operating income (loss)	<u>(218,400)</u>	<u>(317,392)</u>	<u>98,992</u>
NONOPERATING REVENUES (EXPENSES):			
Tap fees	-	17,825	17,825
(Increase)/decrease in net pension liability	-	(15,226)	15,226
Gain/(Loss) on asset disposal	-	18,425	18,425
Interest income	<u>3,000</u>	<u>2</u>	<u>(2,998)</u>
Total nonoperating revenues (expenses)	<u>3,000</u>	<u>21,026</u>	<u>18,026</u>
INCOME (LOSS) BEFORE OTHER			
FINANCING SOURCES (USES)	<u>(215,400)</u>	<u>(296,366)</u>	<u>80,966</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL - SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2017

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):			
Insurance reimbursements	<u>-</u>	<u>2,318</u>	<u>2,318</u>
Transfers to Capital Reserve Fund -			
Pick-up truck - Manager	(600)	(600)	-
Pick-up truck 4x4	(3,000)	(3,000)	-
Repairs and maintenance	(20,000)	(20,000)	-
Tractor	(5,000)	(5,000)	-
Sludge spreading truck	<u>(3,000)</u>	<u>(3,000)</u>	<u>-</u>
Total transfers to Capital Reserve Fund	<u>(31,600)</u>	<u>(31,600)</u>	<u>-</u>
Interfund transfers in	<u>212,000</u>	<u>43,585</u>	<u>(168,415)</u>
Total other financing sources (uses)	<u>180,400</u>	<u>14,303</u>	<u>(166,097)</u>
CHANGE IN NET POSITION	\$ <u>(35,000)</u>	\$ <u>(282,063)</u>	\$ <u>247,063</u>

TOWN OF WOODSTOCK, VERMONT
COMBINING BALANCE SHEET
PERMANENT FUND
JUNE 30, 2017

Schedule 3
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	Common Fund	Cemetery Fund	Billings Park Fund	Boyce Fund	Dreer Fund	Freeman Fund	Gilman Fund
ASSETS							
Cash and cash equivalents	\$ 9,238	\$ 76,451	\$ 66,766	\$ 52,400	\$ 18,379	\$ 25,934	\$ 3,665
Investments	-	-	220,399	3,160	-	-	-
Due from other funds	<u>1,400</u>	<u>-</u>	<u>21,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	\$ <u>10,638</u>	\$ <u>76,451</u>	\$ <u>309,015</u>	\$ <u>55,560</u>	\$ <u>18,379</u>	\$ <u>25,934</u>	\$ <u>3,665</u>
LIABILITIES AND FUND EQUITY							
LIABILITIES:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>2,500</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>2,500</u>	<u>-</u>
FUND BALANCES:							
Nonspendable	-	-	-	-	-	-	-
Restricted	<u>10,638</u>	<u>76,451</u>	<u>309,015</u>	<u>52,560</u>	<u>18,379</u>	<u>23,434</u>	<u>3,665</u>
Total fund balances	<u>10,638</u>	<u>76,451</u>	<u>309,015</u>	<u>52,560</u>	<u>18,379</u>	<u>23,434</u>	<u>3,665</u>
Total liabilities and fund equity	\$ <u>10,638</u>	\$ <u>76,451</u>	\$ <u>309,015</u>	\$ <u>55,560</u>	\$ <u>18,379</u>	\$ <u>25,934</u>	\$ <u>3,665</u>

TOWN OF WOODSTOCK, VERMONT
COMBINING BALANCE SHEET
PERMANENT FUND
JUNE 30, 2017

Schedule 3
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	Whitcomb <u>Fund</u>	Marbara Bagley Scholarship <u>Fund</u>	Gary Hersey Award <u>Fund</u>	George C. Brockway Scholarship <u>Fund</u>	Endowment <u>Fund</u>	Totals Permanent <u>Fund</u>
ASSETS						
Cash and cash equivalents	\$ 52	\$ 49	\$ 2,414	\$ 1,458	\$ 95,585	\$ 352,391
Investments	25,457	43,473	-	-	1,322,986	1,615,475
Due from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,250</u>
Total assets	\$ <u>25,509</u>	\$ <u>43,522</u>	\$ <u>2,414</u>	\$ <u>1,458</u>	\$ <u>1,418,571</u>	\$ <u>1,991,116</u>
LIABILITIES AND FUND EQUITY						
LIABILITIES:						
Accounts payable	\$ -	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
Due to other funds	<u>1,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,900</u>
Total liabilities	<u>1,400</u>	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,400</u>
FUND BALANCES:						
Nonspendable	-	-	-	-	1,310,739	1,310,739
Restricted	<u>24,109</u>	<u>42,022</u>	<u>2,414</u>	<u>1,458</u>	<u>107,832</u>	<u>671,977</u>
Total fund balances	<u>24,109</u>	<u>42,022</u>	<u>2,414</u>	<u>1,458</u>	<u>1,418,571</u>	<u>1,982,716</u>
Total liabilities and fund equity	\$ <u>25,509</u>	\$ <u>43,522</u>	\$ <u>2,414</u>	\$ <u>1,458</u>	\$ <u>1,418,571</u>	\$ <u>1,991,116</u>

TOWN OF WOODSTOCK, VERMONT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - PERMANENT FUND
FOR THE YEAR ENDED JUNE 30, 2017

Schedule 4
Page 1 of 2

	Common Fund	Cemetery Fund	Billings Park Fund	Boyce Fund	Dreer Fund	Freeman Fund	Gilman Fund
REVENUES:							
Investment income	\$ -	\$ 101	\$ 157	\$ 186	\$ 10	\$ 14	\$ 2
Net increase (decrease) in fair value of investments	-	-	33,748	9	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	-	101	33,905	195	10	14	2
EXPENDITURES:							
Investment fees	-	-	-	-	-	-	-
Park maintenance	-	-	-	-	-	-	-
Paid to school	-	-	-	-	-	-	-
Scholarships	1,200	-	-	-	-	-	-
Safe deposit box	52	-	-	-	-	-	-
Total expenditures	1,252	-	-	-	-	-	-
EXCESS OF REVENUES OR (EXPENDITURES)	(1,252)	101	33,905	195	10	14	2
OTHER FINANCING SOURCES (USES):							
Transfers in (out), net	-	-	(28,151)	(3,000)	-	(2,500)	-
NET CHANGE IN FUND BALANCES	(1,252)	101	5,754	(2,805)	10	(2,486)	2
FUND BALANCES, July 1, 2016	11,890	76,350	303,261	55,365	18,369	25,920	3,663
FUND BALANCES, June 30, 2017	\$ 10,638	\$ 76,451	\$ 309,015	\$ 52,560	\$ 18,379	\$ 23,434	\$ 3,665

TOWN OF WOODSTOCK, VERMONT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - PERMANENT FUND
FOR THE YEAR ENDED JUNE 30, 2017

Schedule 4
Page 2 of 2

	Whitcomb <u>Fund</u>	Marbara Bagley Scholarship <u>Fund</u>	Gary Hersey Award <u>Fund</u>	George C. Brockway Scholarship <u>Fund</u>	Endowment <u>Fund</u>	Totals Permanent <u>Fund</u>
REVENUES:						
Investment income	\$ 518	\$ 1,487	\$ 1	\$ -	\$ 37,203	\$ 39,679
Net increase (decrease) in fair value of investments	(707)	(224)	-	-	125,594	158,420
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,832</u>	<u>-</u>	<u>1,832</u>
Total revenues	<u>(189)</u>	<u>1,263</u>	<u>1</u>	<u>1,832</u>	<u>162,797</u>	<u>199,931</u>
EXPENDITURES:						
Investment fees	-	-	-	-	7,438	7,438
Park maintenance	-	-	-	-	-	-
Paid to school	-	-	-	-	34,000	34,000
Scholarships	-	-	-	2,000	-	3,200
Safe deposit box	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>41,438</u>	<u>44,690</u>
EXCESS OF REVENUES OR (EXPENDITURES)	(189)	1,263	1	(168)	121,359	155,241
OTHER FINANCING SOURCES (USES):						
Transfers in (out), net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(33,651)</u>
NET CHANGE IN FUND BALANCES	(189)	1,263	1	(168)	121,359	121,590
FUND BALANCES, July 1, 2016	<u>24,298</u>	<u>40,759</u>	<u>2,413</u>	<u>1,626</u>	<u>1,297,212</u>	<u>1,861,126</u>
FUND BALANCES, June 30, 2017	\$ <u>24,109</u>	\$ <u>42,022</u>	\$ <u>2,414</u>	\$ <u>1,458</u>	\$ <u>1,418,571</u>	\$ <u>1,982,716</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF
NET PENSION LIABILITY - VMERS
JUNE 30, 2017

Schedule 5

	<u>June 30,</u> <u>2017</u>	<u>June 30,</u> <u>2016</u>	<u>June 30,</u> <u>2015</u>
Town (Excluding Sewer Department)			
Town's proportion of the net pension liability	0.3747%	0.3688%	0.3439%
Town's proportionate share of the net pension liability	\$ 482,189	\$ 284,356	\$ 31,384
Town's covered-employee payroll	\$ 891,257	\$ 833,306	\$ 783,589
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	54.1021%	34.1238%	4.0052%
VMERS net position as a percentage of the total pension liability	80.95%	87.42%	98.32%
Sewer Department			
Sewer's proportion of the net pension liability	0.0945%	0.0989%	0.0909%
Sewer's proportionate share of the net pension liability	\$ 121,550	\$ 76,259	\$ 8,294
Sewer's covered-employee payroll	\$ 224,667	\$ 223,478	\$ 220,053
Sewer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	54.1023%	34.1237%	3.7691%
VMERS net position as a percentage of the total pension liability	80.95%	87.42%	98.32%

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF TOWN'S CONTRIBUTIONS
VMERS
June 30, 2017

Schedule 6

	June 30, <u>2017</u>	June 30, <u>2016</u>	June 30, <u>2015</u>
Town (Excluding Sewer Department)			
Contractually required contribution	\$ 61,571	\$ 57,057	\$ 51,232
Contributions in relation to the contractually required contribution	<u>61,571</u>	<u>57,057</u>	<u>51,232</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Town's covered payroll	\$ 891,257	\$ 833,306	\$ 783,589
Contributions as a percentage of covered payroll	6.9083%	6.8471%	6.5381%
Sewer Department			
Contractually required contribution	\$ 15,519	\$ 15,300	\$ 14,387
Contributions in relation to the contractually required contribution	<u>15,519</u>	<u>15,300</u>	<u>14,387</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Sewer's covered payroll	\$ 224,667	\$ 223,478	\$ 220,053
Contributions as a percentage of covered payroll	6.9076%	6.8463%	6.5380%

**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, 2017, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated January 3, 2018.

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 a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2017-001 that we consider to be a material weakness.

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 an

instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Responses as item 2017-002.

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.

Montpelier, Vermont
January 3, 2018

*Mudgett Jenett &
Hugh Wilson, P.C.*

**TOWN OF WOODSTOCK
SCHEDULE OF FINDINGS & RESPONSES
FOR THE YEAR ENDED JUNE 30, 2017**

2017-001 Financial procedures and oversight:

On September 11, 2017 we received a combined Town and Village of Woodstock trial balance for audit. Subsequent to this trial balance we received approximately 87 journal entries by the Town Accountant to finalize the FY17 trial balance that was received for audit on September 11, 2017. We observed on September 11, 2017 approximately \$800,000 in Town and Village of Woodstock clearing account amounts that had not been moved by the Town Accountant to their natural expense/revenue classification. Timely and accurate reporting of revenues, expenditures/expenses among budget line item classifications are essential to managing the Town finances. We also observed that bank reconciliations for the Town and Village of Woodstock checking accounts from March 2017 through June 2017 were not complete as of September 13, 2017. The Town Accountant completed the March 2017 through June 2017 bank reconciliations in the later half of September, October, and first part of November.

We recommend that bank reconciliations be done in the following month and get reviewed by the Treasurer or another appropriate individual in a timely manner. Additionally, we recommend that year end journal entries done by the Accountant be reviewed and recorded in a timely manner. Lastly, to help facilitate the above recommendations we feel that it would be in the best interest for the Town to consider adding a full time position to assist the Town Accountant. This would allow for more timely and accurate reporting to the Board and other financial report users.

Management's response -

Management has brought in temporary help (4 hour per week). Additional staff has been proposed in the Fiscal Year 2018-2019 Budget to be considered by the Select Board.

2017-002 Fund balance policy:

On June 20, 2017 it was noted that the Board voted to reassign amounts for the purchase of two dump trucks. A total of \$125,000 was moved out of other voter committed balances, such as amounts committed for the grand list update, for these two truck purchases. This violates the Town's fund balance policy since committed amounts "can be used only for specific purposes determined by the Town's highest level of decision making authority, the voters".

We recommend that voter approval be obtained if the Board wishes to use committed amounts for purposes other than what amounts are committed for. We would also recommend that the Town consider a voter article to give the Board the authority to use committed funds as it sees fit.

Management's response -

Management's understanding of the budget approved by the voters at Annual Town Meetings, is a lump sum to operate the Town of Woodstock. The department budget numbers are estimates; including Capital Reserve budgets.

If this understanding is inconsistent with Governmental Accounting Standards Board (GASB) guidelines, management will treat Capital Reserve funds in accordance with GASB.