

TOWN OF WOODSTOCK, VERMONT

FINANCIAL STATEMENTS

JUNE 30, 2018

AND

INDEPENDENT AUDITOR'S REPORTS

TOWN OF WOODSTOCK, VERMONT

JUNE 30, 2018

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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, 2018, 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 Town'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 Town'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, 2018, 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

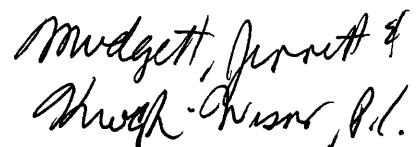
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying schedules 1 through 4 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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 March 27, 2019 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
March 27, 2019



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, 2018. Readers should consider this information in conjunction with the Town's financial statements which are located after this analysis.

GENERAL FUND BUDGETARY HIGHLIGHTS

On March 4, 2017 the voters of the Town of Woodstock convened at the Town Hall for the annual Town Meeting. A budget of \$5,451,711 (for fiscal year 2018 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 \$3,663,081. The amount to be raised by taxation was voted and adopted.

The approved budget increased by \$562,753 over the FY 17 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 \$3,663,081 was an increase of 14.2% over the previous year's amount.

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, 2018, by \$16,032,986. Net position for governmental activities increased by \$2,101,069 and net position for business-type activities decreased by \$121,082. There were deferred inflows of resources of \$1,388,339.

Fund Highlights

At the end of the fiscal year, the Town's governmental funds reported a combined ending fund balance of \$3,849,782, an increase of \$245,860 compared to the prior year. The unassigned portion of the combined fund balance is made up of the General Fund negative unassigned balance of \$54,076. The remaining \$3,903,858 represents amounts restricted, committed, and assigned for specific purposes, such as endowments and subsequent year's expenditures. The proprietary funds reported net position at June 30, 2018 of \$2,013,775, a decrease of \$121,082 for the year.

Debt

The Town's total long-term debt decreased during the fiscal year to \$1,662,357 which includes no capital leases. During FY 2018, the Town retired debt of \$273,286.

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, 2018 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, 2018 and June 30, 2017

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current assets	\$ 4,733,838	\$ 5,162,754	\$ 638,783	\$ 635,692	\$ 5,372,621	\$ 5,798,446
Noncurrent assets	<u>13,000,619</u>	<u>10,146,371</u>	<u>1,643,573</u>	<u>1,800,532</u>	<u>14,644,192</u>	<u>11,946,903</u>
Total assets	<u>17,734,457</u>	<u>15,309,125</u>	<u>2,282,356</u>	<u>2,436,224</u>	<u>20,016,813</u>	<u>17,745,349</u>
Deferred outflows of resources	<u>207,972</u>	<u>309,780</u>	<u>47,712</u>	<u>78,087</u>	<u>255,684</u>	<u>387,867</u>
Current liabilities	413,130	427,433	48,994	84,234	462,124	511,667
Long-term liabilities	<u>2,125,007</u>	<u>2,251,659</u>	<u>264,041</u>	<u>294,481</u>	<u>2,389,048</u>	<u>2,546,140</u>
Total liabilities	<u>2,538,137</u>	<u>2,679,092</u>	<u>313,035</u>	<u>378,715</u>	<u>2,851,172</u>	<u>3,057,807</u>
Deferred inflows of resources	<u>1,385,081</u>	<u>1,021,671</u>	<u>3,258</u>	<u>739</u>	<u>1,388,339</u>	<u>1,022,410</u>
Net Position:						
Net investment in capital assets	10,369,476	8,374,428	1,530,548	1,636,832	11,900,024	10,011,260
Restricted - Nonexpendable	-	1,310,739	-	-	-	1,310,739
Restricted - Expendable	2,225,721	1,699,155	106,381	106,064	2,332,102	1,805,219
Unrestricted	<u>1,424,014</u>	<u>533,820</u>	<u>376,846</u>	<u>391,961</u>	<u>1,800,860</u>	<u>925,781</u>
Total net position	\$ <u>14,019,211</u>	\$ <u>11,918,142</u>	\$ <u>2,013,775</u>	\$ <u>2,134,857</u>	\$ <u>16,032,986</u>	\$ <u>14,052,999</u>

The portion of the Town's governmental activities net position as of June 30, 2018 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 \$10,369,476 or 74.0%. 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 (15.9% or \$2,225,721) 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 \$1,424,014 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.

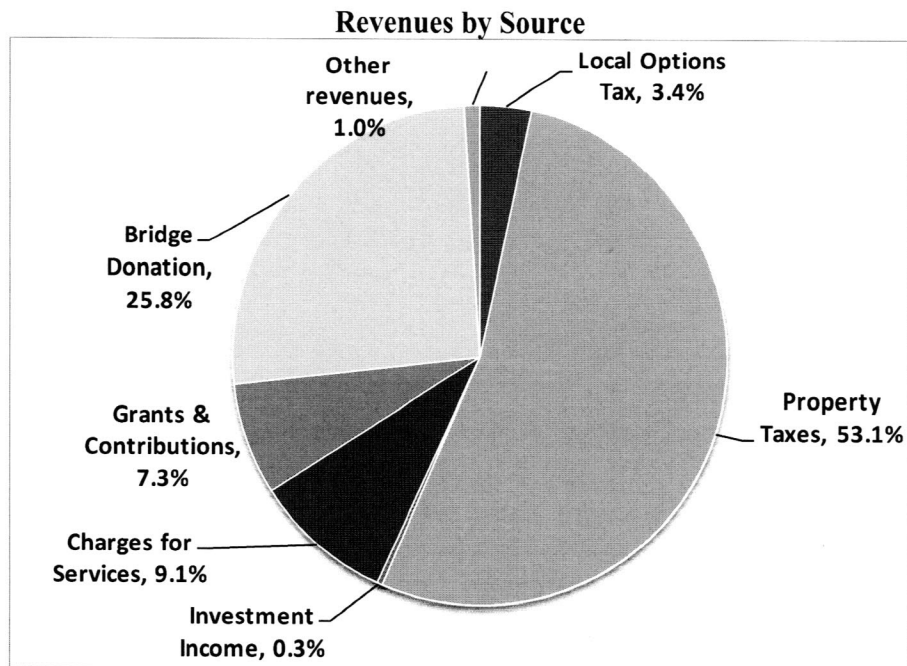
Changes in Net Position for the Fiscal Years Ended June 30, 2018 and 2017

	Governmental Activities		Business-type Activities		Total	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues						
Program Revenues						
Grants and Contributions	\$ 567,495	\$ 350,607	\$ -	\$ -	\$ 567,495	\$ 350,607
Charges for Services	714,354	754,409	797,024	711,609	1,511,378	1,466,018
Other	72,018	13,255	8,939	20,799	80,957	34,054
General Revenues						
Property Taxes	4,158,351	3,695,194	-	-	4,158,351	3,695,194
Local Options Tax	265,426	249,973	-	-	265,426	249,973
Bridge donation	2,022,317	-	-	-	2,022,317	-
Investment Income	26,181	40,084	2,320	399	28,501	40,483
Total Revenues	<u>7,826,142</u>	<u>5,103,522</u>	<u>808,283</u>	<u>732,807</u>	<u>8,634,425</u>	<u>5,836,329</u>
Expenses						
Governmental Activities						
General Government	1,257,374	1,144,827	-	-	1,257,374	1,144,827
Public Works	2,161,197	1,619,978	-	-	2,161,197	1,619,978
Public Safety	1,482,734	1,451,349	-	-	1,482,734	1,451,349
Economic & Community Development	172,388	94,323	-	-	172,388	94,323
Culture and Recreation	725,641	859,712	-	-	725,641	859,712
Debt Service - Interest	53,472	59,466	-	-	53,472	59,466
Business-type Activities						
Sewer	-	-	897,765	1,026,458	897,765	1,026,458
Unemployment	-	-	-	-	-	-
Total Expenses	<u>5,852,806</u>	<u>5,229,655</u>	<u>897,765</u>	<u>1,026,458</u>	<u>6,750,571</u>	<u>6,256,113</u>
Changes in Net Position before Changes in Market Value (MV) and Transfers						
MV Increase(Decrease)	96,133	158,420	-	-	96,133	158,420
Transfer In (Out)	31,600	(11,985)	(31,600)	11,985	-	-
Changes in Net Position	<u>2,101,069</u>	<u>20,302</u>	<u>(121,082)</u>	<u>(281,666)</u>	<u>1,979,987</u>	<u>(261,364)</u>
Net Position - Beginning	<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>
Net Position - Ending	\$ <u>14,019,211</u>	\$ <u>11,918,142</u>	\$ <u>2,013,775</u>	\$ <u>2,134,857</u>	\$ <u>16,032,986</u>	\$ <u>14,052,999</u>

Governmental Activities - In the fiscal year 2018, property taxes provided 53.1% of revenues. Grants and Contributions accounted for 7.3%. The amount earned on investments was 0.3% of total governmental activities revenues. Charges for Services brought in 9.1%. Local Option Tax was 3.4% and the bridge donation was 25.8%.

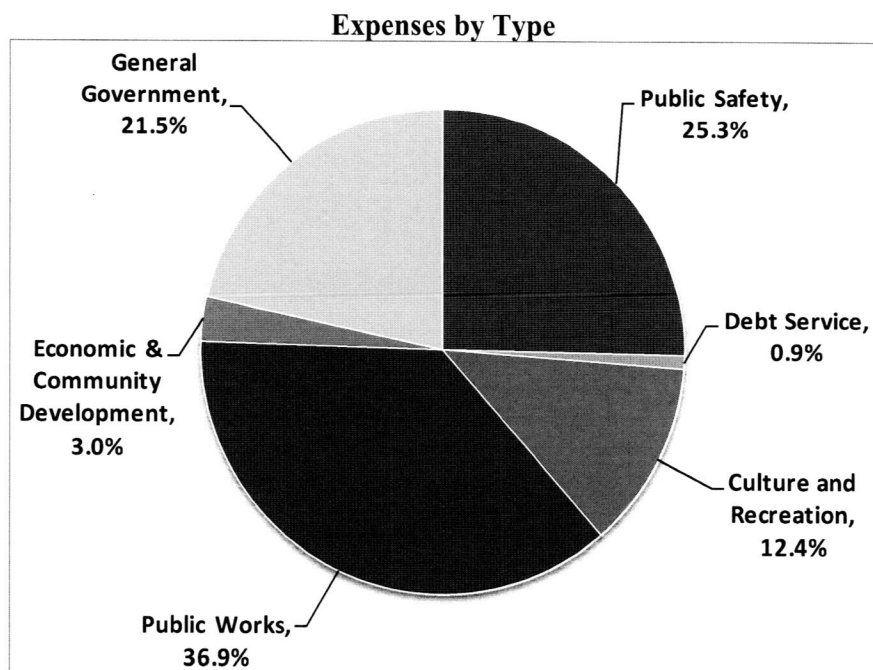
Business-type Activities - Charges for Services accounted for 98.6% of revenues.

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



For FY 2018, governmental activities expenses exceeded program revenues by \$4,498,939 compared to \$4,111,384 for FY 2017.

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 \$3,849,782. An unassigned negative of \$54,076 was reported in the General Fund. The remainder of the fund balance is restricted, committed, and assigned 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 negative of \$54,076 and nonspendable, and restricted fund balance was \$27,940. The fund balance of the Town General Fund decreased by \$94,924 during the fiscal year and reported a deficit of \$26,136 at June 30, 2018.

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 \$376,846, a decrease of \$15,115 during the most recent fiscal year; restricted net position of \$0 is unchanged from FY 17. Restricted net position of the Town's Unemployment Fund amounts to \$106,381, an increase of \$317. 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, 2018, amounts to \$13,562,381 (net of depreciation). This amount represents an increase of \$1,615,478 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, 2018 and June 30, 2017
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Land	\$ 642,570	\$ 642,570	\$ 36,164	\$ 36,164	\$ 678,734	\$ 678,734
Land Improvements	9,284	9,720	-	-	9,284	9,720
Construction in process	19,611	9,065	55,913	13,855	75,524	22,920
Infrastructure	6,886,033	4,887,814	89,417	146,925	6,975,450	5,034,739
Buildings & improvements	2,704,687	2,826,607	-	-	2,704,687	2,826,607
Sewer treatment plant	-	-	1,378,790	1,499,541	1,378,790	1,499,541
Vehicles and equipment	1,419,473	1,487,262	79,100	100,507	1,498,573	1,587,769
Office equip & computers	237,150	283,333	4,189	3,540	241,339	286,873
Total assets	\$ <u>11,918,808</u>	\$ <u>10,146,371</u>	\$ <u>1,643,573</u>	\$ <u>1,800,532</u>	\$ <u>13,562,381</u>	\$ <u>11,946,903</u>

Additional information on the Town's capital assets can be found in Note 4, "Capital Assets."

DEBT ADMINISTRATION

Long-term Debt - On June 30, 2018, the Town of Woodstock had total long-term debt outstanding of \$1,662,357. Of this amount, \$630,000 represents a bond payable at an interest rate of 4.67%, \$579,800 represents a bond payable at an interest rate of 2.49%, \$165,000 represents a bond payable at an interest rate of 3%, \$92,144 represents a note payable at an interest rate of 1.95%, \$4,635 represents a note payable at an interest rate of 2.242%, \$18,750 represents a note payable at an interest rate of 1.68%, \$7,500 represents a note payable at an interest rate of 1.65%, \$18,750 represents a note payable at an interest rate of 1.65%, \$13,000 represents a note payable at an interest rate of 1.65%, \$19,753 represents a note payable at an interest rate of 1.98%, and \$113,025 represents a non-interest bearing bond.

FISCAL YEAR 2019 BUDGET

For fiscal year 2019, property taxes are projected to increase 10.2% or \$372,972 over last year's budget. No amount will be used from the surplus, for the purpose of tax stabilization for the fiscal year 2019. The Special Articles approved for FY 19 are \$27,185 more than those budgeted in FY 18. The fiscal year 2019 budget adopted at the Town Meeting in March 2018 will maintain services at the fiscal year 2018 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, 2018
(Page 1 of 2)

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
ASSETS:			
Current assets -			
Cash and cash equivalents	\$ 2,342,918	\$ 661,959	\$ 3,004,877
Investments	1,691,097	-	1,691,097
Receivables:			
Delinquent taxes	485,877	-	485,877
Accounts and grants	118,043	49,667	167,710
Prepaid expenses	5,000	-	5,000
Other assets	18,060	-	18,060
Internal balances	<u>72,843</u>	<u>(72,843)</u>	<u>-</u>
Total current assets	<u>4,733,838</u>	<u>638,783</u>	<u>5,372,621</u>
Noncurrent assets -			
Notes receivable	1,081,811	-	1,081,811
Capital assets	17,178,770	7,324,743	24,503,513
less - accumulated depreciation	<u>(5,259,962)</u>	<u>(5,681,170)</u>	<u>(10,941,132)</u>
Total noncurrent assets	<u>13,000,619</u>	<u>1,643,573</u>	<u>14,644,192</u>
Total assets	<u>17,734,457</u>	<u>2,282,356</u>	<u>20,016,813</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred pension expense	<u>207,972</u>	<u>47,712</u>	<u>255,684</u>
LIABILITIES:			
Current liabilities -			
Accounts payable	150,537	6,726	157,263
Accrued expenses	41,632	4,893	46,525
Due to Village of Woodstock	22,213	-	22,213
Current portion of long-term debt	<u>198,748</u>	<u>37,375</u>	<u>236,123</u>
Total current liabilities	<u>413,130</u>	<u>48,994</u>	<u>462,124</u>
Noncurrent liabilities -			
Accrued compensated absences	277,753	71,889	349,642
Long-term debt	1,350,584	75,650	1,426,234
Net pension liability	<u>496,670</u>	<u>116,502</u>	<u>613,172</u>
Total noncurrent liabilities	<u>2,125,007</u>	<u>264,041</u>	<u>2,389,048</u>
Total liabilities	<u>2,538,137</u>	<u>313,035</u>	<u>2,851,172</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, 2018
(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	1,012,745	-	1,012,745
Unavailable revenue - 18/19 taxes	353,699	-	353,699
Deferred pension credits	13,889	3,258	17,147
Unavailable revenue - donation	<u>4,748</u>	<u>-</u>	<u>4,748</u>
Total deferred inflows of resources	<u>1,385,081</u>	<u>3,258</u>	<u>1,388,339</u>
NET POSITION:			
Net investment in capital assets	10,369,476	1,530,548	11,900,024
Restricted	2,225,721	106,381	2,332,102
Unrestricted	<u>1,424,014</u>	<u>376,846</u>	<u>1,800,860</u>
Total net position	\$ <u>14,019,211</u>	\$ <u>2,013,775</u>	\$ <u>16,032,986</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, 2018

	<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	\$ 1,257,374	\$ 21,407	\$ 188,262	\$ 36,888	\$ (1,010,817)	\$ -	\$ (1,010,817)
Public safety	1,482,734	55,588	513,572	-	(913,574)	-	(913,574)
Public works	2,161,197	465,200	-	35,130	(1,660,867)	-	(1,660,867)
Economic and community development	172,388	-	5,020	-	(167,368)	-	(167,368)
Culture and recreation	725,641	25,300	7,500	-	(692,841)	-	(692,841)
Debt service - interest	53,472	-	-	-	(53,472)	-	(53,472)
Total governmental activities	<u>5,852,806</u>	<u>567,495</u>	<u>714,354</u>	<u>72,018</u>	<u>(4,498,939)</u>	<u>-</u>	<u>(4,498,939)</u>
Business-type activities -							
Sewer	897,765	-	797,024	8,939	-	(91,802)	(91,802)
	<u>\$ 6,750,571</u>	<u>\$ 567,495</u>	<u>\$ 1,511,378</u>	<u>\$ 80,957</u>	<u>(4,498,939)</u>	<u>(91,802)</u>	<u>(4,590,741)</u>
GENERAL REVENUES							
- PROPERTY TAXES					4,158,351	-	4,158,351
- LOCAL OPTION TAX					265,426	-	265,426
- INVESTMENT INCOME					26,181	2,320	28,501
- NET INCREASE (DECREASE) IN FAIR VALUE OF INVESTMENTS					96,133	-	96,133
- CENTRAL STREET BRIDGE DONATION					2,022,317	-	2,022,317
- TRANSFERS IN (OUT)					31,600	(31,600)	-
					<u>6,600,008</u>	<u>(29,280)</u>	<u>6,570,728</u>
CHANGE IN NET POSITION					2,101,069	(121,082)	1,979,987
NET POSITION, July 1, 2017					<u>11,918,142</u>	<u>2,134,857</u>	<u>14,052,999</u>
NET POSITION, June 30, 2018					<u>\$ 14,019,211</u>	<u>\$ 2,013,775</u>	<u>\$ 16,032,986</u>

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

TOWN OF WOODSTOCK, VERMONT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018
(Page 1 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>
ASSETS						
Cash and cash equivalents	\$ 809,811	\$ 1,079,873	\$ 259,731	\$ 100	\$ 193,403	\$ 2,342,918
Investments	-	-	1,691,097	-	-	1,691,097
Receivables - Delinquent taxes	485,877	-	-	-	-	485,877
- Accounts, grants and notes	90,270	-	-	995,000	27,773	1,113,043
- Vermont Community Loan Fund	-	-	86,811	-	-	86,811
Due from other funds	-	441,746	-	-	106,997	548,743
Prepaid expenditures	5,000	-	-	-	-	5,000
Other assets	<u>18,060</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,060</u>
Total assets	\$ <u>1,409,018</u>	\$ <u>1,521,619</u>	\$ <u>2,037,639</u>	\$ <u>995,100</u>	\$ <u>328,173</u>	\$ <u>6,291,549</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND EQUITY						
LIABILITIES:						
Accounts payable	\$ 139,024	\$ -	\$ -	\$ -	\$ 11,513	\$ 150,537
Accrued payroll and benefits	41,632	-	-	-	-	41,632
Due to other funds	475,800	-	-	100	-	475,900
Due to Village of Woodstock	<u>22,213</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,213</u>
Total liabilities	<u>678,669</u>	<u>-</u>	<u>-</u>	<u>100</u>	<u>11,513</u>	<u>690,282</u>

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

TOWN OF WOODSTOCK, VERMONT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018
(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	17,745	-	-	-	-	17,745
Unavailable revenue - loans receivable	-	-	-	995,000	-	995,000
Unavailable revenue - 17/18 and prior taxes	380,293	-	-	-	-	380,293
Unavailable revenue - 18/19 taxes	353,699	-	-	-	-	353,699
Unavailable revenue - donation	4,748	-	-	-	-	4,748
Total deferred inflows of resources	<u>756,485</u>	<u>-</u>	<u>-</u>	<u>995,000</u>	<u>-</u>	<u>1,751,485</u>
FUND EQUITY:						
Fund balances -						
Nonspendable	5,000	-	-	-	-	5,000
Restricted	22,940	26,809	2,037,639	-	-	2,087,388
Committed	-	138,333	-	-	-	138,333
Assigned	-	1,356,477	-	-	316,660	1,673,137
Unassigned	<u>(54,076)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(54,076)</u>
Total fund balances	<u>(26,136)</u>	<u>1,521,619</u>	<u>2,037,639</u>	<u>-</u>	<u>316,660</u>	<u>3,849,782</u>
Total liabilities, deferred inflows of resources and fund equity	\$ <u>1,409,018</u>	\$ <u>1,521,619</u>	\$ <u>2,037,639</u>	\$ <u>995,100</u>	\$ <u>328,173</u>	\$ <u>6,291,549</u>

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

TOWN OF WOODSTOCK, VERMONT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018
(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	\$ 3,849,782
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	17,178,770
Accumulated depreciation	(5,259,962)
Liabilities not due and payable in the year are not reported in the governmental funds.	
Long-term debt	(1,549,332)
Accrued compensated absences	(277,753)
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.	380,293
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	207,972
Deferred pension credits	(13,889)
Net pension liability	<u>(496,670)</u>
Net position of governmental activities - Government-wide Statement of Net Position	\$ <u>14,019,211</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, 2018

(Page 1 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>
REVENUES:						
Taxes	\$ 4,124,579	\$ -	\$ -	\$ -	\$ 265,426	\$ 4,390,005
Intergovernmental	562,706	-	-	-	-	562,706
Licenses, permits, fines, and fees	171,290	-	-	-	-	171,290
Charges for goods and services	514,182	-	-	-	-	514,182
Investment income	313	104	25,750	-	14	26,181
Net increase (decrease) in fair value of investments	-	-	96,133	-	-	96,133
Miscellaneous	<u>65,495</u>	<u>-</u>	<u>43</u>	<u>-</u>	<u>5,020</u>	<u>70,558</u>
Total revenues	<u>5,438,565</u>	<u>104</u>	<u>121,926</u>	<u>-</u>	<u>270,460</u>	<u>5,831,055</u>
EXPENDITURES:						
General government	920,035	-	48,681	-	-	968,716
Public safety	1,286,902	-	-	-	-	1,286,902
Public works	1,458,104	-	-	-	-	1,458,104
Economic and community development	-	-	-	-	172,388	172,388
Culture and recreation	586,654	-	-	-	-	586,654
Comfort Station	28,487	-	-	-	-	28,487
Intergovernmental	287,164	-	-	-	-	287,164
Grants	44,893	-	-	-	-	44,893
Special Articles	186,497	-	-	-	-	186,497
Capital reserve spending	67,377	-	-	-	-	67,377
Loss repair	32,180	-	-	-	-	32,180
Capital outlay	256,480	-	-	-	-	256,480
Debt service - Principal	222,611	-	-	-	-	222,611
- Interest	<u>53,472</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,472</u>
Total expenditures	<u>5,430,856</u>	<u>-</u>	<u>48,681</u>	<u>-</u>	<u>172,388</u>	<u>5,651,925</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, 2018

(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)	<u>7,709</u>	<u>104</u>	<u>73,245</u>	<u>-</u>	<u>98,072</u>	<u>179,130</u>
OTHER FINANCING SOURCES (USES):						
Insurance reimbursements	35,130	-	-	-	-	35,130
Interfund transfers in	221,540	390,903	-	-	-	612,443
Interfund transfers out	<u>(359,303)</u>	<u>(203,218)</u>	<u>(18,322)</u>	<u>-</u>	<u>-</u>	<u>(580,843)</u>
Total other financing sources (uses)	<u>(102,633)</u>	<u>187,685</u>	<u>(18,322)</u>	<u>-</u>	<u>-</u>	<u>66,730</u>
NET CHANGE IN FUND BALANCES	(94,924)	187,789	54,923	-	98,072	245,860
FUND BALANCES, July 1, 2017	<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>
FUND BALANCES, June 30, 2018 (DEFICIT)	\$ <u>(26,136)</u>	\$ <u>1,521,619</u>	\$ <u>2,037,639</u>	\$ <u>-</u>	\$ <u>316,660</u>	\$ <u>3,849,782</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, 2018
(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	\$ 245,860
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	2,302,974
Depreciation	(530,537)
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	(346,521)
Current year	380,293
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	(46,364)
Principal payments on long-term debt	222,611
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>(127,247)</u>
Change in net position of governmental activities - Government-wide Statement of Activities	\$ <u>2,101,069</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, 2018

	Original and Final <u>Budget</u>	Actual (Budgetary Basis) <u>Basis)</u>	Variance Over (Under) <u>(Under)</u>
REVENUES:			
Taxes	\$ 4,356,578	\$ 4,124,579	\$ (231,999)
Licenses and permits	64,500	54,130	(10,370)
Intergovernmental	423,900	562,706	138,806
Charges for services	516,130	514,182	(1,948)
Fines and forfeits	129,000	117,160	(11,840)
Investment income	100	313	213
Miscellaneous	38,000	65,495	27,495
Total revenues	<u>5,528,208</u>	<u>5,438,565</u>	<u>(89,643)</u>
EXPENDITURES:			
General government	1,127,370	920,035	(207,335)
Public safety	1,322,921	1,294,654	(28,267)
Public works	1,642,600	1,677,113	34,513
Culture and recreation	613,270	608,784	(4,486)
Comfort Station	27,350	28,477	1,127
Intergovernmental	246,000	287,164	41,164
Special Articles	195,897	186,497	(9,400)
Capital reserve spending	139,000	207,965	68,965
Loss repair	-	32,180	32,180
Tropical Storm Irene	62,200	60,148	(2,052)
Grants	-	127,839	127,839
Total expenditures	<u>5,376,608</u>	<u>5,430,856</u>	<u>54,248</u>
EXCESS OF REVENUES OR (EXPENDITURES)	<u>151,600</u>	<u>7,709</u>	<u>(143,891)</u>
OTHER FINANCING SOURCES (USES):			
Insurance reimbursements	-	35,130	35,130
Transfers in	144,400	221,540	77,140
Transfers out	(296,000)	(359,303)	63,303
Total other financing sources (uses)	<u>(151,600)</u>	<u>(102,633)</u>	<u>(48,967)</u>
NET CHANGE IN FUND BALANCE	\$ <u>-</u>	\$ <u>(94,924)</u>	\$ <u>94,924</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, 2018
(Page 1 of 2)

	<u>Sewer Fund</u>	<u>Unemployment Fund</u>	<u>Totals Proprietary Funds</u>
ASSETS:			
Current assets -			
Cash and cash equivalents	\$ 555,578	\$ 106,381	\$ 661,959
Accounts receivable (Net of allowance for doubtful accounts of \$5,000)	<u>49,667</u>	<u>-</u>	<u>49,667</u>
Total current assets	<u>605,245</u>	<u>106,381</u>	<u>711,626</u>
Noncurrent assets -			
Capital assets	7,324,743	-	7,324,743
less - accumulated depreciation	<u>(5,681,170)</u>	<u>-</u>	<u>(5,681,170)</u>
Total noncurrent assets	<u>1,643,573</u>	<u>-</u>	<u>1,643,573</u>
Total assets	<u>2,248,818</u>	<u>106,381</u>	<u>2,355,199</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred pension expense	<u>47,712</u>	<u>-</u>	<u>47,712</u>
LIABILITIES:			
Current liabilities -			
Accounts payable	6,726	-	6,726
Accrued payroll	4,893	-	4,893
Due to other funds	72,843	-	72,843
Current portion of long-term debt	<u>37,375</u>	<u>-</u>	<u>37,375</u>
Total current liabilities	<u>121,837</u>	<u>-</u>	<u>121,837</u>
Noncurrent liabilities -			
Net pension liability	116,502	-	116,502
Accrued compensated absences	71,889	-	71,889
Long-term debt	<u>75,650</u>	<u>-</u>	<u>75,650</u>
Total noncurrent liabilities	<u>264,041</u>	<u>-</u>	<u>264,041</u>
Total liabilities	<u>385,878</u>	<u>-</u>	<u>385,878</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, 2018
(Page 2 of 2)

	<u>Sewer Fund</u>	<u>Unemployment Fund</u>	<u>Totals Proprietary Funds</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred pension credits	<u>3,258</u>	<u>-</u>	<u>3,258</u>
NET POSITION:			
Net investment in capital assets	1,530,548	-	1,530,548
Restricted	-	106,381	106,381
Unrestricted	<u>376,846</u>	<u>-</u>	<u>376,846</u>
Total net position	\$ <u><u>1,907,394</u></u>	\$ <u><u>106,381</u></u>	\$ <u><u>2,013,775</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, 2018

	Sewer <u>Fund</u>	Unemployment <u>Fund</u>	Totals Proprietary <u>Funds</u>
OPERATING REVENUES:			
User fees	\$ 789,374	\$ -	\$ 789,374
Miscellaneous	<u>8,939</u>	<u>-</u>	<u>8,939</u>
Total operating revenues	<u>798,313</u>	<u>-</u>	<u>798,313</u>
OPERATING EXPENSES:			
Operations and maintenance	566,944	-	566,944
Vehicles	18,688	-	18,688
Administration	83,408	-	83,408
Depreciation	<u>200,879</u>	<u>-</u>	<u>200,879</u>
Total operating expenses	<u>869,919</u>	<u>-</u>	<u>869,919</u>
Operating income (loss)	<u>(71,606)</u>	<u>-</u>	<u>(71,606)</u>
NONOPERATING REVENUES (EXPENSES):			
Tap fees	7,650	-	7,650
(Increase) decrease in net pension liability	(27,846)	-	(27,846)
Interest income	<u>2,003</u>	<u>317</u>	<u>2,320</u>
Total nonoperating revenues (expenses)	<u>(18,193)</u>	<u>317</u>	<u>(17,876)</u>
INCOME (LOSS) BEFORE TRANSFERS	(89,799)	317	(89,482)
OTHER FINANCING SOURCES (USES):			
Interfund transfers out	<u>(31,600)</u>	<u>-</u>	<u>(31,600)</u>
CHANGE IN NET POSITION	(121,399)	317	(121,082)
NET POSITION, July 1, 2017	<u>2,028,793</u>	<u>106,064</u>	<u>2,134,857</u>
NET POSITION, June 30, 2018	\$ <u>1,907,394</u>	\$ <u>106,381</u>	\$ <u>2,013,775</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, 2018
(Page 1 of 2)

	Sewer <u>Fund</u>	Unemployment <u>Fund</u>	Totals Proprietary <u>Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 781,012	\$ -	\$ 781,012
Cash paid to suppliers for goods and services	(328,346)	-	(328,346)
Cash paid to employees for services	<u>(350,651)</u>	<u>-</u>	<u>(350,651)</u>
Net cash provided (used) by operating activities	<u>102,015</u>	<u>-</u>	<u>102,015</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Fees from sewer connections	7,650	-	7,650
Additions to property, plant and equipment	(44,133)	-	(44,133)
Gain (Loss) on asset disposal	213	-	213
Payment on bonds payable	<u>(50,675)</u>	<u>-</u>	<u>(50,675)</u>
Net cash provided (used) by capital and related financing activities	<u>(86,945)</u>	<u>-</u>	<u>(86,945)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Change in due from other funds	53,246	-	53,246
Transfers (to) from other funds, net	<u>(31,600)</u>	<u>-</u>	<u>(31,600)</u>
Net cash provided (used) by noncapital financing activities	<u>21,646</u>	<u>-</u>	<u>21,646</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest income	<u>2,003</u>	<u>317</u>	<u>2,320</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	38,719	317	39,036
CASH AND CASH EQUIVALENTS, July 1, 2017	<u>516,859</u>	<u>106,064</u>	<u>622,923</u>
CASH AND CASH EQUIVALENTS, June 30, 2018	\$ <u>555,578</u>	\$ <u>106,381</u>	\$ <u>661,959</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, 2018
(Page 2 of 2)

	<u>Sewer Fund</u>	<u>Unemployment Fund</u>	<u>Totals Proprietary Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (71,606)	\$ -	\$ (71,606)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities -			
Depreciation	200,879	-	200,879
Change in the following assets/liabilities:			
(Increase) decrease in accounts receivable	(17,301)	-	(17,301)
Increase (decrease) in accounts payable	(23,074)	-	(23,074)
Increase (decrease) in accrued expenses	1,134	-	1,134
Increase (decrease) in accrued compensated absences	<u>11,983</u>	<u>-</u>	<u>11,983</u>
Net cash provided (used) by operating activities	\$ <u>102,015</u>	\$ <u>-</u>	\$ <u>102,015</u>

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

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. 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. The Town did not have any fiduciary funds for the year ended June 30, 2018.

- 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, 2018

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 with a separate article; assigned funds represent amounts 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, 2018

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.

Ambulance service revenue is recognized as billed. Accounts receivable for ambulance services are reviewed and adjusted for collectability on an annual basis. Allowances for doubtful accounts are established as considered necessary.

Local option tax revenue associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenue in the current fiscal period.

E. Budgets and budgetary accounting - The Town approves budgets 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. All budgeted amounts lapse at year end.

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, 2018 were payable in two installments due November 2017 and May 2018.

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 \$106,381 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.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

1. Summary of significant accounting policies (continued):

- 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.
- J. Prepaid items - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.
- K. 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 since the implementation of GASB Statement No. 34. 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

- L. 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.
- M. 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

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

1. Summary of significant accounting policies (continued):

M. Compensated absences (continued) -

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. Governmental funds report compensated absences as an expenditure when the benefit is paid.

- N. Long-term obligations -** Governmental activities, business-type activities, and proprietary funds report long-term debt and other long-term obligations as liabilities in the applicable statement of net position. Governmental funds report the amount of debt issued as other financing sources and the repayment of debt as debt service expenditures.

- O. 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.

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 in the order of restricted, committed, assigned and unassigned unless the Selectboard specifies otherwise.

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, 2018, is as follows:

<u>Investment</u>	<u>Fair Value</u>
Mutual funds	\$ <u>1,691,097</u>

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

2. Deposits and investments (continued):

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, 2018, \$1,155 of the Town's deposits were uninsured and uncollateralized.

3. Notes receivable:

At June 30, 2018 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.

At June 30, 2018 the Town had a 10-year \$86,300 note receivable from the Vermont Community Loan Fund, due January 2028 with an interest rate of 3%. The balance at June 30, 2018 was \$86,811.

4. Capital assets:

Capital asset activity for the year ended June 30, 2018 was as follows:

	Balance July 1, 2017	Increase	Decrease	Balance June 30, 2018
Governmental activities -				
Capital assets, not depreciated:				
Land	\$ 642,570	\$ -	\$ -	\$ 642,570
Construction in process	9,065	10,546	-	19,611
Total capital assets, not depreciated	<u>651,635</u>	<u>10,546</u>	<u>-</u>	<u>662,181</u>
Capital assets, depreciated:				
Land improvements	10,922	-	-	10,922
Buildings and improvements	4,982,055	-	-	4,982,055
Vehicles and equipment	3,177,894	159,824	142,360	3,195,358
Office equipment and computers	649,165	7,018	7,724	648,459
Infrastructure	5,539,386	2,140,409	-	7,679,795
Total capital assets, depreciated	<u>14,359,422</u>	<u>2,307,251</u>	<u>150,084</u>	<u>16,516,589</u>
Less accumulated depreciation for:				
Land improvements	1,202	436	-	1,638
Buildings and improvements	2,155,448	121,920	-	2,277,368
Vehicles and equipment	1,690,632	213,377	128,124	1,775,885
Office equipment and computers	365,832	52,614	7,137	411,309
Infrastructure	651,572	142,190	-	793,762
Total accumulated depreciation	<u>4,864,686</u>	<u>530,537</u>	<u>135,261</u>	<u>5,259,962</u>
Total capital assets, depreciated, net	<u>9,494,736</u>	<u>1,776,714</u>	<u>14,823</u>	<u>11,256,627</u>
Capital assets, net, governmental activities	<u>10,146,371</u>	<u>1,787,260</u>	<u>14,823</u>	<u>11,918,808</u>

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

4. Capital assets (continued):

	Balance July 1, 2017	Increase	Decrease	Balance June 30, 2018
Business-type activities -				
Capital assets, not depreciated:				
Land	36,164	-	-	36,164
Construction in progress	13,855	42,058	-	55,913
Total capital assets, not depreciated	<u>50,019</u>	<u>42,058</u>	<u>-</u>	<u>92,077</u>
Capital assets, depreciated:				
Sewer treatment plant	4,539,027	-	-	4,539,027
Vehicles and equipment	400,757	-	-	400,757
Office equipment and computers	12,834	2,075	2,136	12,773
Infrastructure	2,280,109	-	-	2,280,109
Total capital assets, depreciated	<u>7,232,727</u>	<u>2,075</u>	<u>2,136</u>	<u>7,232,666</u>
Less accumulated depreciation for:				
Sewer treatment plant	3,039,486	120,751	-	3,160,237
Vehicles and equipment	300,250	21,407	-	321,657
Office equipment and computers	9,294	1,213	1,923	8,584
Infrastructure	2,133,184	57,508	-	2,190,692
Total accumulated depreciation	<u>5,482,214</u>	<u>200,879</u>	<u>1,923</u>	<u>5,681,170</u>
Total capital assets, depreciated, net	<u>1,750,513</u>	<u>(198,804)</u>	<u>213</u>	<u>1,551,496</u>
Capital assets, net, business-type activities	<u>1,800,532</u>	<u>(156,746)</u>	<u>213</u>	<u>1,643,573</u>
Capital assets, net	\$ <u>11,946,903</u>	\$ <u>1,630,514</u>	\$ <u>15,036</u>	\$ <u>13,562,381</u>

Depreciation expense of \$530,537 in the governmental activities was allocated to expenses of the general government (\$57,132), public safety (\$142,866), and public works (\$330,539) programs based on capital assets assigned to those functions.

Depreciation expense of \$200,879 in the business-type activities was fully allocated to the sewer function.

5. Interfund receivable and payable balances:

Interfund receivable and payable balances at June 30, 2018 are primarily the result of amounts owed to the Capital Reserve Fund for transfers from the General Fund. Interfund receivable and payable balances as of June 30, 2018 are as follows:

	Interfund Receivables	Interfund Payables
Governmental funds -		
General Fund	\$ -	\$ 475,800
Capital Reserve Fund	441,746	-
Community Development Fund	-	100
Economic & Community Development Reserve Fund	<u>106,997</u>	<u>-</u>
	548,743	475,900

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

5. Interfund receivable and payable balances (continued):

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Proprietary fund -		
Sewer Fund	-	72,843
	\$ <u>548,743</u>	\$ <u>548,743</u>

6. 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, 2018 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental funds -		
General Fund	\$ 221,540	\$ 359,303
Capital Reserve Fund	390,903	203,218
Permanent Fund	-	18,322
	612,443	580,843
Proprietary fund -		
Sewer Fund	-	31,600
	\$ <u>612,443</u>	\$ <u>612,443</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, \$25,000 represents a voter committed transfer. In addition, management transferred \$334,303 from the General Fund and \$31,600 from the Sewer Fund to the Capital Reserve Fund.

Transfers of \$203,218 from the Capital Reserve Fund to the General Fund were for the payment of capital expenditures in 2018 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 \$18,322 from the Permanent Fund to the General Fund were for budgeted disbursements of assets from the Permanent Fund.

7. 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, 2018, amounts due to the Village of Woodstock were \$22,213.

8. 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. The Town paid the Village \$223,853 for these services which are based on budgeted amounts and an additional amount of \$109,518 for a total of \$333,371 for police services.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

9. Long-term debt:

Outstanding long-term debt as of June 30, 2018 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.	\$ 630,000
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.	579,800
Bond payable, for Little Theater improvements, payable in annual principal and semi-annual interest payments through May 2032 at 3.00% interest.	165,000
Note payable, for Welcome Center, payable in annual principal and interest payments through July 2036 at 1.95% interest.	92,144
Note payable, for gator, payable in annual principal and interest payments through December 2018 at 2.242% interest.	4,635
Note payable, for highway truck, payable in annual principal and interest payments through June 2019 at 1.68% interest.	18,750
Note payable, for police cruiser, payable in annual principal and interest payments through July 2018 at 1.65% interest.	7,500
Note payable, for dump truck, payable in annual principal and interest payments through July 2018 at 1.65% interest.	18,750
Note payable, for highway F450 truck, payable in annual principal and interest payments through July 2018 at 1.65% interest.	13,000
Note payable, for Town Manager F150 truck, payable in annual principal and interest payments through July 2020 at 1.98% interest.	<u>19,753</u>
	<u>1,549,332</u>

Business-type activities -

Vermont Municipal Bond Bank - RF1-037, for sewer infrastructure improvements, payable in annual principal payments through January 2021 at 0.00% interest.	<u>113,025</u>
	\$ <u>1,662,357</u>

Long-term debt activity for the year ended June 30, 2018 has been detailed on the following page.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

9. Long-term debt (continued):

	Balance July 1, 2017	Additions	Retirements	Balance June 30, 2018	Due Within One Year
Governmental activities -					
Highway garage	\$ 700,000	\$ -	\$ 70,000	\$ 630,000	\$ 70,000
Tropical Storm Irene	624,400	-	44,600	579,800	44,600
Little Theater	176,000	-	11,000	165,000	11,000
Welcome center	96,000	-	3,856	92,144	4,054
Equipment note - Grader	24,367	-	24,367	-	-
Equipment note - Gator	9,176	-	4,541	4,635	4,635
Equipment note - Dump truck	37,500	-	18,750	18,750	18,750
Equipment note - Cruiser	15,000	-	7,500	7,500	7,500
Equipment note - Highway truck	37,500	-	18,750	18,750	18,750
Equipment note - Highway F450	26,000	-	13,000	13,000	13,000
Equipment note - Manager F150	26,000	-	6,247	19,753	6,459
	<u>1,771,943</u>	<u>-</u>	<u>222,611</u>	<u>1,549,332</u>	<u>198,748</u>
Business-type activities -					
Sewer fund bond	150,700	-	37,675	113,025	37,375
Equipment note - F350	13,000	-	13,000	-	-
	<u>163,700</u>	<u>-</u>	<u>50,675</u>	<u>113,025</u>	<u>37,375</u>
	<u>\$ 1,935,643</u>	<u>\$ -</u>	<u>\$ 273,286</u>	<u>\$ 1,662,357</u>	<u>\$ 236,123</u>

Debt service requirements to maturity are as follows:

Year ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2019	\$ 198,748	\$ 46,550	\$ 37,675	\$ -
2020	136,316	40,713	37,675	-
2021	136,525	33,069	37,675	-
2022	129,896	30,995	-	-
2023	129,980	26,456	-	-
2024-2028	581,213	66,016	-	-
2029-2033	214,366	13,091	-	-
2034-2037	22,288	1,114	-	-
	<u>\$ 1,549,332</u>	<u>\$ 258,004</u>	<u>\$ 113,025</u>	<u>\$ -</u>

In prior years the Vermont Municipal Bond Bank (VMBB) refunded the 2006 Series 1 bond which resulted in interest savings to the Town of \$41,105. This savings allocation, to be received between FY15 and FY27, has been reflected as a reduction of interest in the debt service requirements table.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

9. Long-term debt (continued):

Subsequent to year end, the Town obtained a \$100,000 note through Mascoma Bank with an annual interest rate of 2.6%. As of the date of this report the Town has borrowed this note in full.

Subsequent to year end, the Town obtained a \$77,560 lease through John Deere Financial with an annual interest rate of 4.25%. As of the date of this report the Town has borrowed this lease in full.

Subsequent to year end, the Town obtained a \$300,000 note through Mascoma Bank with an annual interest rate of 3.15%. As of the date of this report the Town has borrowed this note in full.

10. Fund balances:

The June 30, 2018 fund balances of the governmental funds are as follows:

	General Fund	Capital Reserve Fund	Permanent Fund	Economic & Community Development Reserve Fund	Totals
Nonspendable:					
Prepaid expenditures	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Restricted:					
Fireworks	4,043	-	-	-	4,043
Listers' education	210	894	-	-	1,104
Grand list reappraisal	18,687	25,915	-	-	44,602
Benefit of the Town	-	-	2,037,639	-	2,037,639
	<u>22,940</u>	<u>26,809</u>	<u>2,037,639</u>	<u>-</u>	<u>2,087,388</u>
Committed:					
Capital projects and equipment	-	138,333	-	-	138,333
Assigned:					
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	34,433	-	-	-	34,433
Economic and community development	-	-	-	316,660	316,660
Capital projects and equipment	-	832,979	-	-	832,979
Capital projects and equipment - sewer	-	516,636	-	-	516,636
	<u>123,105</u>	<u>1,349,615</u>	<u>-</u>	<u>316,660</u>	<u>1,789,380</u>

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

10. Fund balances (continued):

	General Fund	Capital Reserve Fund	Permanent Fund	Economic & Community Development Reserve Fund	Totals
Unassigned	(177,181)	6,862	-	-	(170,319)
	\$ (26,136)	\$ 1,521,619	\$ 2,037,639	\$ 316,660	\$ 3,849,782

The General Fund assigned amount of \$123,105 shown on the previous page has been combined with the General Fund unassigned negative amount of \$177,181 on the face of the financial statements. This results in a negative unassigned \$54,076 being reported in the General Fund at June 30, 2018. The Capital Reserve Fund assigned amount of \$1,349,615 shown on the previous page has been combined with the unassigned balance of \$6,862 on the face of the financial statements. This results in an assigned balance of \$1,356,477 being reported in the Capital Reserve Fund at June 30, 2018.

The General Fund reported a \$26,136 deficit at June 30, 2018. Management intends to eliminate this deficit through future operations.

For the year ended June 30, 2018, the changes in the Capital Reserve Fund's fund balances, that are broken out between general and sewer categories, are as follows:

	Balance July 1, 2017	Transfers In	Transfers Out	Reallocations and Interest	Balance June 30, 2018
Fund balance - general:					
Restricted - general -					
Listers' education	\$ 894	\$ -	\$ -	\$ -	\$ 894
Grand list reappraisal	25,915	-	-	-	25,915
Total restricted fund balance - general	26,809	-	-	-	26,809
Committed - general -					
Vail Field improvements	125,158	25,000	11,825	-	138,333
Total committed fund balance - general	125,158	25,000	11,825	-	138,333
Assigned - general -					
Recycling	452	-	-	-	452
Town hall construction	-	20,000	5,150	-	14,850
Town plan consulting	4,000	1,000	-	-	5,000
Zoning	-	59,315	-	-	59,315
Office equipment	11,942	1,500	6,718	-	6,724
Town Clerk vault	35,250	-	-	-	35,250
Computer equipment	10,367	2,000	497	-	11,870
Lister's equipment	8,417	1,000	210	-	9,207

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

10. Fund balances (continued):

	Balance July 1, 2017	Transfers In	Transfers Out	Reallocations and Interest	Balance June 30, 2018
Fund balance - general (continued):					
Assigned - general (continued) -					
Town Clerk office equipment	1,500	-	-	-	1,500
Trucks	98,353	55,000	118,200	-	35,153
Backhoe	781	-	-	-	781
Manager's pick-up	10,710	1,500	-	-	12,210
Highway pick-up	4,377	12,000	-	-	16,377
Paving	12,733	-	-	-	12,733
Bridge construction	155,834	25,000	31,292	-	149,542
Snow blower	-	12,500	-	-	12,500
The green archway	-	3,000	-	-	3,000
Culverts	-	35,000	-	-	35,000
Emergency infrastructure	-	23,000	17,800	-	5,200
Sidewalk construction	-	3,988	-	-	3,988
Ambulance	42,032	25,000	-	-	67,032
Cardiac monitors	1,252	-	-	-	1,252
Ambulance computer	-	2,500	2,500	-	-
Generator - Fire Department	5,175	5,000	-	-	10,175
Air packs - Fire Department	-	5,000	-	-	5,000
Fire truck	80,000	20,000	-	-	100,000
Bunker gear	5,000	5,000	7,666	-	2,334
Fire pager replacement	4,874	2,000	-	-	6,874
Fire Department air pack tanks	-	4,000	-	-	4,000
Communications	19,819	7,000	-	-	26,819
Communications computer	5,462	-	-	-	5,462
Cemetery improvements	3,000	3,000	-	-	6,000
Restoration of records	101,054	-	1,360	-	99,694
Road improvements	3,224	-	-	-	3,224
Storm drains	8,402	-	-	-	8,402
Salt and sand	2,647	-	-	-	2,647
Selectboard contingency	53,412	-	-	-	53,412
Total assigned fund balance - general	690,069	334,303	191,393	-	832,979
Unassigned - general	2,370	-	-	104	2,474
Total fund balance - general	844,406	359,303	203,218	104	1,000,595
Fund balance - sewer:					
Assigned - sewer -					
I.I. Study	20,000	-	-	-	20,000
Pick-up truck	-	3,000	-	-	3,000
Dechlorination equipment	1,214	-	-	-	1,214

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

10. Fund balances (continued):

	Balance July 1, 2017	Transfers In	Transfers Out	Reallocations and Interest	Balance June 30, 2018
Fund balance - sewer (continued):					
Assigned - sewer (continued) -					
Tractor	91,336	5,000	-	-	96,336
Manager's pick-up - sewer	4,623	600	-	-	5,223
Test/monitor wells	4,508	-	-	-	4,508
Sludge disposal truck	219,378	3,000	-	-	222,378
Repairs and maintenance - sewer	186	20,000	-	-	20,186
Line flusher	40,000	-	-	-	40,000
TV camera	10,000	-	-	-	10,000
Sewer line maintenance	3,696	-	-	-	3,696
Dechlorination equipment	4,000	-	-	-	4,000
Other sewer capital expenditures	86,095	-	-	-	86,095
Total assigned fund					
balance - sewer	485,036	31,600	-	-	516,636
Unassigned - sewer	4,388	-	-	-	4,388
Total fund balance - sewer	489,424	31,600	-	-	521,024
Total Capital Reserve					
Fund Balance	\$ 1,333,830	\$ 390,903	\$ 203,218	\$ 104	\$ 1,521,619

Note that the unassigned amounts shown in the previous table that totaled \$2,474 for the general classification and \$4,388 for the sewer classification has been combined with assigned fund balance on the face of the financial statements.

11. Pension plan:

Vermont Municipal Employees' Retirement System -

Plan description: The Town contributes to the Vermont Municipal Employees' Retirement System (VMERS or the Plan) a cost-sharing multiple-employer public employee retirement system with defined benefit and defined contribution plans, administered by the State of Vermont. The State statutory provisions, found in Title 24, Chapter 125, of the V.S.A., govern eligibility for benefits, service requirements and benefit provisions. The general administration and responsibility for the proper operation of VMERS is vested in the Board of Trustees consisting of five members. VMERS issues annual financial information which is available and may be reviewed at the VMERS' office, 109 State Street, Montpelier, Vermont, 05609-6200, 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.

TOWN OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

11. Pension plan (continued):

Vermont Municipal Employees' Retirement System (continued) -

Contributions: Defined Benefit Plan members are required to contribute 2.5% (Group A), 4.875% (Group B), 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), 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, 2018, 2017, and 2016 were \$87,711, \$77,090, and \$72,357, 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 0.74658% proportionate share of VMERS Defined Benefit Plan. In addition, Town management has estimated 0.40995% and 0.09616% of the total VMERS net pension liability to be attributable to governmental activities and business-type activities of the Town, 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 0.24047% proportionate share of the total VMERS net pension liability.

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Town share of VMERS net pension liability	\$ 496,670	\$ 116,502
Deferred outflow of resources - Deferred pension expense	\$ 207,972	\$ 47,712
Deferred inflow of resources - Deferred pension credits	\$ 13,889	\$ 3,258

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, 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.

12. Operating lease:

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, 2018, 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, 2018

Schedule 1
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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
REVENUES:			
Taxes -			
Current (net of taxes abated)	\$ 4,100,578	\$ 3,882,617	\$ (217,961)
In lieu of taxes and land use	<u>256,000</u>	<u>241,962</u>	<u>(14,038)</u>
Total Taxes	<u>4,356,578</u>	<u>4,124,579</u>	<u>(231,999)</u>
Licenses and permits -			
Licenses and fees	52,500	44,664	(7,836)
Boards and agencies	<u>12,000</u>	<u>9,466</u>	<u>(2,534)</u>
Total Licenses and permits	<u>64,500</u>	<u>54,130</u>	<u>(10,370)</u>
Intergovernmental -			
Highway state aid	423,900	465,200	41,300
Miscellaneous State of Vermont	-	16,618	16,618
Grants	<u>-</u>	<u>80,888</u>	<u>80,888</u>
Total Intergovernmental	<u>423,900</u>	<u>562,706</u>	<u>138,806</u>
Charges for services -			
False alarms and permits	7,900	17,335	9,435
Ambulance services	440,500	429,357	(11,143)
Police fees	<u>67,730</u>	<u>67,490</u>	<u>(240)</u>
Total Charges for services	<u>516,130</u>	<u>514,182</u>	<u>(1,948)</u>
Fines and forfeits -			
Moving violations	4,000	-	(4,000)
Delinquent tax penalties and interest	<u>125,000</u>	<u>117,160</u>	<u>(7,840)</u>
Total Fines and forfeits	<u>129,000</u>	<u>117,160</u>	<u>(11,840)</u>
Investment income	<u>100</u>	<u>313</u>	<u>213</u>
Miscellaneous -			
Rental income	33,000	23,575	(9,425)
Miscellaneous	<u>5,000</u>	<u>41,920</u>	<u>36,920</u>
Total Miscellaneous	<u>38,000</u>	<u>65,495</u>	<u>27,495</u>
Total revenues	<u>5,528,208</u>	<u>5,438,565</u>	<u>(89,643)</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

Schedule 1
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	Original and Final <u>Budget</u>	Actual (Budgetary Basis) <u>Basis)</u>	Variance Over (Under) <u>(Under)</u>
EXPENDITURES:			
General Government -			
Town Selectboard:			
Legislating -			
Salaries and wages	5,000	4,000	(1,000)
Benefits	390	306	(84)
Community television	1,200	1,200	-
Dues, subscriptions, and meetings	5,400	5,259	(141)
Total legislating	<u>11,990</u>	<u>10,765</u>	<u>(1,225)</u>
Printing orders and proceedings -			
Printing and binding	<u>4,500</u>	<u>5,043</u>	<u>543</u>
Legal -			
Professional services	<u>2,000</u>	<u>15,728</u>	<u>13,728</u>
Total Town Selectboard	<u>18,490</u>	<u>31,536</u>	<u>13,046</u>
Town Executive Department:			
Managing municipality -			
Salaries and wages	90,500	92,449	1,949
Benefits	34,000	34,441	441
Dues, subscriptions, and meetings	<u>1,400</u>	<u>1,072</u>	<u>(328)</u>
Total Town Executive Department	<u>125,900</u>	<u>127,962</u>	<u>2,062</u>
Town Administration:			
Office supplies	3,300	2,503	(797)
Operating supplies	3,200	3,333	133
Postage	4,200	2,701	(1,499)
Equipment maintenance	3,600	3,606	6
Machinery and equipment	2,700	1,582	(1,118)
Communication	4,000	3,760	(240)
Advertising	<u>2,500</u>	<u>7,466</u>	<u>4,966</u>
Total Town Administration	<u>23,500</u>	<u>24,951</u>	<u>1,451</u>
Town Finance Department:			
Treasurer -			
Salaries and wages	16,000	14,805	(1,195)
Benefits	1,400	1,133	(267)
Travel and transportation	2,600	2,172	(428)
Dues, subscriptions, and meetings	<u>100</u>	<u>-</u>	<u>(100)</u>
Total Treasurer	<u>20,100</u>	<u>18,110</u>	<u>(1,990)</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

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	43,750	47,842	4,092
Benefits	13,900	15,140	1,240
Other purchased services	800	-	(800)
Professional services	200	135	(65)
Software upgrades	100	-	(100)
Total Accounting and Bookkeeping	<u>58,750</u>	<u>63,117</u>	<u>4,367</u>
Auditing -			
Professional services	<u>13,000</u>	<u>13,900</u>	<u>900</u>
Tax Listing -			
Salaries and wages	74,250	74,050	(200)
Benefits	27,125	26,164	(961)
Operating supplies	250	413	163
Dues, subscriptions, and meetings	250	185	(65)
Professional services	200	-	(200)
Travel and transportation	250	394	144
Other purchased services	350	515	165
Repairs and maintenance	100	213	113
Licensed state support	350	-	(350)
Total Tax Listing	<u>103,125</u>	<u>101,934</u>	<u>(1,191)</u>
Tax Collecting -			
Salaries and wages	16,100	16,404	304
Benefits	5,480	4,604	(876)
Total Tax Collecting	<u>21,580</u>	<u>21,008</u>	<u>(572)</u>
Total Town Finance Department	<u>216,555</u>	<u>218,069</u>	<u>1,514</u>
Town Administration Department:			
Town Clerk -			
Salaries and wages	54,040	59,045	5,005
Assistant Town Clerk wages	21,300	25,730	4,430
Benefits	45,625	41,220	(4,405)
Record retention	3,200	1,725	(1,475)
Other purchased services	300	5	(295)
Dues, subscriptions, and meetings	600	583	(17)
Machinery and equipment	600	214	(386)
Copier lease	750	2,245	1,495
Office supplies	360	371	11
Total Town Clerk	<u>126,775</u>	<u>131,138</u>	<u>4,363</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

Schedule 1
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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
General Government (continued) -			
Town Administration Department (continued):			
Board of Civil Authority -			
Salaries and wages, including volunteers	500	971	471
Election wages	500	215	(285)
Office/printing supplies	2,000	1,563	(437)
Total Board of Civil Authority	<u>3,000</u>	<u>2,749</u>	<u>(251)</u>
Total Town Administration Department	<u>129,775</u>	<u>133,887</u>	<u>4,112</u>
Municipal Planning and Zoning:			
Salaries and wages	74,800	70,133	(4,667)
Benefits	31,000	26,242	(4,758)
Advertising	2,500	1,992	(508)
Dues, subscriptions, and meetings	6,000	5,820	(180)
Travel and transportation	4,000	2,506	(1,494)
Professional services	500	935	435
Conservation Commission	500	135	(365)
Equipment purchase	250	52	(198)
GIS mapping	100	-	(100)
Total Municipal Planning and Zoning	<u>119,650</u>	<u>107,815</u>	<u>(11,835)</u>
Town Plant and Equipment:			
Building and maintenance - Town Hall -			
Custodial services	11,000	9,378	(1,622)
Operating supplies	2,500	1,249	(1,251)
Small tools and equipment	500	31	(469)
Other purchased services	10,000	8,995	(1,005)
Repair and maintenance	8,000	7,013	(987)
Utilities	40,000	29,059	(10,941)
Improvements	1,000	-	(1,000)
Total Town Plant and Equipment	<u>73,000</u>	<u>55,725</u>	<u>(17,275)</u>
Selectboard Contingency			
Unclassified	30,000	34,263	4,263
House numbers	500	155	(345)
Economic development reserve fund	230,000	-	(230,000)
Insurance	160,000	185,672	25,672
Total Selectboard Contingency	<u>420,500</u>	<u>220,090</u>	<u>(200,410)</u>
Total General Government expenditures	<u>1,127,370</u>	<u>920,035</u>	<u>(207,335)</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

Schedule 1
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	Original and Final <u>Budget</u>	Actual (Budgetary <u>Basis)</u>	Variance Over (Under)
EXPENDITURES (CONTINUED):			
Public Safety -			
Town Constables:			
Crime investigation control -			
Salaries and wages	5,000	4,094	(906)
Benefits	400	313	(87)
Operating supplies	500	-	(500)
Office supplies	200	-	(200)
Repair and maintenance supplies	100	-	(100)
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>4,427</u>	<u>(3,073)</u>
Town Communications Department:			
Salaries and wages	209,300	211,020	1,720
Training wages	2,000	1,929	(71)
Residency stipend	500	1,106	606
EMT stipend	600	1,742	1,142
Benefits	81,025	83,919	2,894
Office supplies	1,200	692	(508)
Repairs and maintenance supplies	500	1,434	934
Small tools and equipment	600	214	(386)
Communications	4,800	3,959	(841)
Tower rent	3,200	3,101	(99)
Tower maintenance	300	52	(248)
Repairs and maintenance	1,200	2,234	1,034
Machinery and equipment	600	165	(435)
Training and tuition	300	-	(300)
Travel and transportation	200	200	-
Operating supplies	1,200	457	(743)
Total Town Communications Department	<u>307,525</u>	<u>312,224</u>	<u>4,699</u>
Town Fire Department:			
Firefighting -			
Salaries and wages	100,000	70,123	(29,877)
Benefits	10,500	5,364	(5,136)
Operating supplies	2,500	2,523	23
Dues, subscriptions, and meetings	900	470	(430)
Professional services	1,750	846	(904)
Medical testing	750	513	(237)
CDL licensing	500	246	(254)
Travel and transportation	200	-	(200)
Fire prevention	1,000	423	(577)
Education	2,500	776	(1,724)

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

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	25,000	19,170	(5,830)
Winter hydrant maintenance	<u>3,600</u>	<u>3,500</u>	<u>(100)</u>
Total Firefighting	<u>149,200</u>	<u>103,954</u>	<u>(45,246)</u>
Fire communications -			
Alarm registration	200	-	(200)
Communications	3,000	3,799	799
Radios	5,000	-	(5,000)
Repairs and maintenance	3,000	545	(2,455)
Machinery and equipment	<u>2,500</u>	<u>207</u>	<u>(2,293)</u>
Total Fire communications	<u>13,700</u>	<u>4,551</u>	<u>(9,149)</u>
Fire truck and equipment -			
Operating supplies	1,500	1,438	(62)
Repairs and maintenance	2,500	56	(2,444)
Fuel	1,500	214	(1,286)
Engine and tanker maintenance	<u>8,500</u>	<u>8,627</u>	<u>127</u>
Total Fire truck and equipment	<u>14,000</u>	<u>10,335</u>	<u>(3,665)</u>
Fire fighting equipment -			
Operating supplies	1,500	1,591	91
Rescue equipment	800	612	(188)
Air pack maintenance and equipment	3,000	1,878	(1,122)
Bunker gear	2,500	4,369	1,869
Hose and hose adapters	1,000	247	(753)
Small tools and equipment	400	434	34
Equipment maintenance and reserve	1,000	638	(362)
Equipment purchase	<u>3,000</u>	<u>1,230</u>	<u>(1,770)</u>
Total Fire fighting equipment	<u>13,200</u>	<u>10,999</u>	<u>(2,201)</u>
Woodstock Station #2 -			
Maintenance supplies	150	559	409
Repairs and maintenance	1,000	3,231	2,231
Propane	800	1,282	482
Electricity	950	655	(295)
Utilities	<u>2,600</u>	<u>3,809</u>	<u>1,209</u>
Total Woodstock Station #2	<u>5,500</u>	<u>9,536</u>	<u>4,036</u>
Total Town Fire Department	<u>195,600</u>	<u>139,375</u>	<u>(56,225)</u>
Town Ambulance Department:			
Operations -			
Salaries and wages, including volunteer services	80,350	79,512	(838)

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

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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) -			
Associates' salaries	220,000	232,411	12,411
Benefits	33,450	30,837	(2,613)
Office supplies	3,000	2,662	(338)
Operating supplies	23,000	21,798	(1,202)
Repairs and maintenance supplies	100	639	539
Paramedic supplies	2,500	1,674	(826)
Billing software	4,300	300	(4,000)
Other purchased services	2,600	3,602	1,002
Dues, subscriptions, and meetings	750	474	(276)
Uncollectible accounts	20,000	30,032	10,032
Personal protection equipment	1,000	194	(806)
Communications	100	-	(100)
Contract services	-	21,030	21,030
Paramedic intercept	10,000	7,523	(2,477)
Vermont patient 3% tax	1,000	-	(1,000)
Medical testing	300	-	(300)
Medical insurance allowance	100	-	(100)
Total Operations	<u>402,550</u>	<u>432,688</u>	<u>30,138</u>
Vehicle maintenance -			
Small tools and equipment	1,400	556	(844)
Repair and maintenance	8,000	10,817	2,817
Communications	100	275	175
Fuel	5,000	2,957	(2,043)
Total Vehicle maintenance	<u>14,500</u>	<u>14,605</u>	<u>105</u>
Training -			
Salaries and wages	3,000	5,832	2,832
Benefits	200	626	426
Operating supplies	400	416	16
Small tools and equipment	100	332	232
Dues, subscriptions and meetings	200	408	208
Professional services	600	1,506	906
State EMS training	5,000	9,557	4,557
Travel and transportation	300	-	(300)
Total Training	<u>9,800</u>	<u>18,677</u>	<u>8,877</u>
Communications -			
Office phone and internet	1,800	1,555	(245)
Vehicle cell phones	1,000	144	(856)
Pagers	1,000	293	(707)
Portable radios	1,000	3,415	2,415

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

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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) -			
Communications (continued) -			
Vehicle mobile radios	500	-	(500)
Total Communications	<u>5,300</u>	<u>5,407</u>	<u>107</u>
Total Town Ambulance Department	<u>432,150</u>	<u>471,377</u>	<u>39,227</u>
Emergency Services Department:			
Maintenance supplies	1,400	2,076	676
Painting exterior of ESB	100	100	-
Equipment repair and maintenance	7,000	12,810	5,810
Building custodian	4,400	4,005	(395)
Propane	4,500	4,722	222
Electricity	10,000	7,352	(2,648)
Utilities	<u>2,500</u>	<u>2,815</u>	<u>315</u>
Total Emergency Services Department	<u>29,900</u>	<u>33,880</u>	<u>3,980</u>
Town Police Department:			
Salaries and wages	75,000	72,204	(2,796)
Employer paid benefits	32,000	19,602	(12,398)
Training wages	1,300	1,293	(7)
Stipend	2,200	-	(2,200)
Training paid benefits	200	99	(101)
Uniform service	1,300	1,294	(6)
Repairs and maintenance of vehicles	2,500	2,318	(182)
Small tools and equipment	500	497	(3)
4x4 Vehicle lease	7,250	7,748	498
4x4 Radio, lights, radar	800	791	(9)
Communications	-	300	300
Fuel	2,500	2,500	-
Dues, subscriptions and meetings	93	162	69
Tuition	<u>750</u>	<u>710</u>	<u>(40)</u>
Total Town Police Department	<u>126,393</u>	<u>109,518</u>	<u>(16,875)</u>
Amounts paid to Village for police services	<u>223,853</u>	<u>223,853</u>	<u>-</u>
Total Town Police Services	<u>350,246</u>	<u>333,371</u>	<u>(16,875)</u>
Total Public Safety expenditures	<u>1,322,921</u>	<u>1,294,654</u>	<u>(28,267)</u>
Public Works -			
Highways and Streets:			
Highway maintenance -			
Salaries and wages	375,650	369,032	(6,618)
Overtime	48,500	74,216	25,716
Benefits	175,000	179,236	4,236
Office supplies	250	304	54

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

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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) -			
Rubbish removal	12,000	12,069	69
Operating supplies	2,000	3,502	1,502
Snow dump pollution monitor	7,000	10,932	3,932
Small tools and equipment	2,000	1,417	(583)
Communications	1,500	3,603	2,103
Other purchased services	49,000	48,758	(242)
Professional services	1,000	-	(1,000)
Rentals	1,500	1,610	110
Travel and transportation (fuel)	53,500	57,936	4,436
Spot gravel	84,000	106,599	22,599
Road stabilization	30,000	31,414	1,414
Street paving	55,000	32,617	(22,383)
Pavement patch	23,000	29,712	6,712
Tree maintenance	12,000	19,652	7,652
Stormwater management	7,000	7,044	44
Crosswalk maintenance	11,000	9,532	(1,468)
Salt and sand	178,000	200,414	22,414
Total Highway maintenance	<u>1,128,900</u>	<u>1,199,599</u>	<u>70,699</u>
Maintenance of storm drains -			
Culverts and drains	<u>7,500</u>	<u>9,577</u>	<u>2,077</u>
Construction and maintenance of bridges -			
Repair and maintenance supplies	6,000	13,150	7,150
Bridge rehabilitation and miscellaneous	36,000	13,082	(22,918)
Engineering services	1,000	3,680	2,680
Total Construction and maintenance of bridges	<u>43,000</u>	<u>29,912</u>	<u>(13,088)</u>
Traffic control -			
Operating supplies	29,750	30,753	1,003
Equipment repairs and maintenance	500	-	(500)
Total Traffic control	<u>30,250</u>	<u>30,753</u>	<u>503</u>
Street lights -			
Utilities	<u>42,500</u>	<u>39,372</u>	<u>(3,128)</u>
Equipment maintenance and purchase -			
Repairs and maintenance supplies	46,000	75,959	29,959
Small tools and equipment	1,300	446	(854)
Communications	500	1,378	878
Operating supplies	12,000	16,482	4,482
Backhoe lease	18,400	-	(18,400)

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

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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) -			
Loader lease	17,800	-	(17,800)
Grader lease	25,000	24,788	(212)
Ton truck lease	13,800	13,429	(371)
Dump truck leases	58,700	38,749	(19,951)
Pickup lease	6,800	6,762	(38)
Other purchased services	2,000	1,950	(50)
Total Equipment maintenance and purchase	<u>202,300</u>	<u>179,943</u>	<u>(22,357)</u>
Sidewalk maintenance -			
Sidewalk maintenance	12,000	10,458	(1,542)
Sidewalk construction	4,000	12	(3,988)
Total Sidewalk maintenance	<u>16,000</u>	<u>10,470</u>	<u>(5,530)</u>
Public Works building -			
Repairs and maintenance	3,850	5,667	1,817
Utilities	19,000	23,036	4,036
Bond payment - Principal	70,000	70,000	-
- Interest	30,300	27,583	(2,717)
Total Public Works building	<u>123,150</u>	<u>126,286</u>	<u>3,136</u>
Total Highway and Streets expenditures	<u>1,593,600</u>	<u>1,625,912</u>	<u>32,312</u>
Cemetery:			
Other purchased services	14,000	15,595	1,595
Repairs and maintenance	1,000	2,078	1,078
Total Cemetery expenditures	<u>15,000</u>	<u>17,673</u>	<u>2,673</u>
Sanitation	<u>34,000</u>	<u>33,528</u>	<u>(472)</u>
Total Public Works expenditures	<u>1,642,600</u>	<u>1,677,113</u>	<u>34,513</u>
Culture and Recreation -			
Culture and Recreation:			
Woodstock Council on Aging	10,600	10,600	-
Parades	2,000	-	(2,000)
Pentangle	34,500	34,500	-
Little Theatre - Principal	11,000	11,000	-
- Interest	5,000	5,280	280
Woodstock Recreation Department	285,900	285,900	-
Grants, subsidies and contributions, Town Library	144,840	144,840	-
Fireworks	7,500	6,977	(523)
Billings park	-	760	760

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

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) -			
Culture and Recreation (continued):			
Chamber office	12,850	10,145	(2,705)
Elementary school space rent	92,000	92,000	-
Total Culture and Recreation	<u>606,190</u>	<u>602,002</u>	<u>(4,188)</u>
Public Health Services:			
Salaries and wages	6,300	6,300	-
Benefits	480	482	2
Water testing supplies	100	-	(100)
Dues, subscriptions, and meetings	100	-	(100)
Travel and transportation	100	-	(100)
Total Public Health Services	<u>7,080</u>	<u>6,782</u>	<u>(298)</u>
Total Culture and Recreation expenditures	<u>613,270</u>	<u>608,784</u>	<u>(4,486)</u>
Comfort Station -			
Maintenance supplies	2,500	2,585	85
Custodial services	19,000	18,584	(416)
Propane	850	1,349	499
Electricity	1,000	1,207	207
Miscellaneous utilities	3,000	1,633	(1,367)
Building repairs and maintenance	1,000	3,119	2,119
Total Comfort Station expenditures	<u>27,350</u>	<u>28,477</u>	<u>1,127</u>
Intergovernmental -			
Highway rebate	<u>246,000</u>	<u>287,164</u>	<u>41,164</u>
Special Articles -			
Trustee of Public Fund Wages	900	-	(900)
Trust fund audit	1,500	-	(1,500)
Woodstock Area Job Bank	3,000	-	(3,000)
Woodstock Council on Aging	34,250	34,250	-
Visiting Nurses	25,000	25,000	-
SE Community Action SEVCA	3,000	3,000	-
Windsor County Partners	2,500	2,500	-
WISE	2,000	-	(2,000)
Pentangle	33,000	33,000	-
Norman Williams Public Library	51,250	51,250	-
Ottauquechee Community Partnership	5,000	5,000	-
Spectrum Teen Center	1,250	1,250	-
Health Care & Rehab Services	3,247	3,247	-
Green Mountain RSVP	500	-	(500)
Welcome Center	25,000	25,000	-
Community television	3,000	3,000	-

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
Special Articles (continued) -			
Senior Solutions	1,500	-	(1,500)
Total Special Articles expenditures	<u>195,897</u>	<u>186,497</u>	<u>(9,400)</u>
Capital Reserve Spending -			
Listers equipment and education	-	210	210
Restoration of records	-	1,360	1,360
Town Hall improvements	10,000	5,150	(4,850)
Bridges	-	31,291	31,291
Vail field improvements	15,000	11,825	(3,175)
Manager's truck	12,000	-	(12,000)
Office equipment	-	6,718	6,718
Trucks	-	13,200	13,200
Culverts and stormwater	30,000	-	(30,000)
Dump truck purchase	65,000	105,000	40,000
Gator note principal	-	4,542	4,542
Gator note interest	-	206	206
Ambulance equipment	-	2,500	2,500
Emergency infrastructure	-	17,800	17,800
Fire department bunker gear	2,000	7,666	5,666
Communications	5,000	-	(5,000)
Computer equipment replacement	-	497	497
Total Capital Reserve Spending expenditures	<u>139,000</u>	<u>207,965</u>	<u>68,965</u>
Loss Repair -			
Property damage - Tafts bridge	-	6,675	6,675
Property damage - highway truck	-	15,811	15,811
Vehicle damage repair	-	9,694	9,694
Total Loss Repair expenditures	<u>-</u>	<u>32,180</u>	<u>32,180</u>
Tropical Storm Irene -			
Bond repayment	44,600	44,600	-
Bond interest	<u>17,600</u>	<u>15,548</u>	<u>(2,052)</u>
Total Tropical Storm Irene	<u>62,200</u>	<u>60,148</u>	<u>(2,052)</u>
Grants -			
ORRV	-	4,748	4,748
Highway	-	1,853	1,853
Cox Road	-	10,546	10,546
Energy	-	7,670	7,670
Electric vehicle charging station	-	3,000	3,000
Storm event	-	2,322	2,322
Densmore stormwater grant	-	25,300	25,300

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
Grants (continued) -			
Better back roads	-	72,400	72,400
Total Grants expenditures	-	127,839	127,839
Total expenditures	5,376,608	5,430,856	54,248
EXCESS OF REVENUES OR (EXPENDITURES)	151,600	7,709	(143,891)
OTHER FINANCING SOURCES (USES):			
Insurance reimbursements	-	35,130	35,130
Transfers in	144,400	221,540	77,140
Transfers out	(296,000)	(359,303)	63,303
Total other financing sources (uses)	(151,600)	(102,633)	(48,967)
NET CHANGE IN FUND BALANCE	\$ -	\$ (94,924)	\$ 94,924

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL - SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2018

Schedule 2
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	Original and Final Budget	Actual (Budgetary Basis)	Variance Over (Under)
OPERATING REVENUES:			
User fees	\$ 789,225	\$ 789,374	\$ 149
Miscellaneous	<u>2,000</u>	<u>8,939</u>	<u>6,939</u>
Total operating revenues	<u>791,225</u>	<u>798,313</u>	<u>7,088</u>
OPERATING EXPENSES:			
Sewer administration -			
Salaries and wages	57,800	55,123	(2,677)
Benefits	19,300	18,475	(825)
Office supplies	1,500	1,491	(9)
Legal services	250	-	(250)
Communications	3,000	1,819	(1,181)
Professional services	6,600	6,500	(100)
Computer expense	<u>500</u>	<u>-</u>	<u>(500)</u>
Total Sewer administration	<u>88,950</u>	<u>83,408</u>	<u>(5,542)</u>
Sewer operations -			
Salaries and wages	29,000	27,458	(1,542)
Benefits	14,200	10,586	(3,614)
Operating supplies	5,000	2,563	(2,437)
Professional services	3,000	374	(2,626)
Engineering services	21,000	6,145	(14,855)
Rentals	400	-	(400)
Repairs and maintenance	6,000	4,827	(1,173)
Machinery and equipment	500	549	49
Sewer line maintenance equipment	600	-	(600)
Sewer line cleaning	12,000	15,391	3,391
I.I. Improvements	<u>100</u>	<u>-</u>	<u>(100)</u>
Total Sewer operations	<u>91,800</u>	<u>67,893</u>	<u>(23,907)</u>
Maintenance of plant -			
Salaries and wages	159,000	166,688	7,688
Benefits	74,000	84,304	10,304
Office supplies	1,500	184	(1,316)
Operating supplies	52,000	32,488	(19,512)
Repairs and maintenance supplies	7,000	3,482	(3,518)
Contingencies	10,000	810	(9,190)
Professional services	5,000	7,615	2,615
Small tools and equipment	<u>2,000</u>	<u>5,844</u>	<u>3,844</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL - SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2018

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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
OPERATING EXPENSES (CONTINUED):			
Maintenance of plant (continued) -			
Communications	4,800	4,266	(534)
Dues, subscriptions, and meetings	1,500	761	(739)
Insurance and fidelity bond premiums	32,000	33,589	1,589
Other purchased services	20,000	17,469	(2,531)
Repairs and maintenance	24,600	10,160	(14,440)
Taxes, licensing and regulations	2,400	1,970	(430)
Travel and transportation	200	467	267
Utilities	80,000	85,067	5,067
Test and monitor wells	100	-	(100)
Laboratory testing	20,000	15,832	(4,168)
Field rental	14,000	22,032	8,032
Field lime	1,000	1,165	165
Uniforms and protective gear	5,000	4,723	(277)
Engineering	12,000	135	(11,865)
Bond repayment	<u>37,675</u>	<u>-</u>	<u>(37,675)</u>
Total Maintenance of plant	<u>565,775</u>	<u>499,051</u>	<u>(66,724)</u>
Sewer vehicles -			
Repairs and maintenance supplies	21,000	12,680	(8,320)
Travel and transportation	<u>13,100</u>	<u>6,008</u>	<u>(7,092)</u>
Total Sewer vehicles	<u>34,100</u>	<u>18,688</u>	<u>(15,412)</u>
Construction	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>
Depreciation	<u>-</u>	<u>200,879</u>	<u>200,879</u>
Total operating expenses	<u>980,625</u>	<u>869,919</u>	<u>(110,706)</u>
Operating income (loss)	<u>(189,400)</u>	<u>(71,606)</u>	<u>(117,794)</u>
NONOPERATING REVENUES (EXPENSES):			
Tap fees	-	7,650	7,650
(Increase) decrease in net pension liability	-	(27,846)	27,846
Interest income	<u>2,000</u>	<u>2,003</u>	<u>3</u>
Total nonoperating revenues (expenses)	<u>2,000</u>	<u>(18,193)</u>	<u>(20,193)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(187,400)</u>	<u>(89,799)</u>	<u>(97,601)</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL - SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2018

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	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
OTHER FINANCING SOURCES (USES):			
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	(3,000)	(3,000)	-
Total Transfers to Capital Reserve Fund	<u>(31,600)</u>	<u>(31,600)</u>	<u>-</u>
Interfund transfers in	<u>219,000</u>	-	<u>(219,000)</u>
Total other financing sources (uses)	<u>187,400</u>	<u>(31,600)</u>	<u>(219,000)</u>
 CHANGE IN NET POSITION	 \$ <u>-</u>	 \$ <u>(121,399)</u>	 \$ <u>121,399</u>

TOWN OF WOODSTOCK, VERMONT
COMBINING BALANCE SHEET
PERMANENT FUND
JUNE 30, 2018

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	\$ 2,401	\$ 74,162	\$ 91,109	\$ 44,500	\$ 18,389	\$ 23,446	\$ 666
Investments	-	-	238,431	3,155	-	-	-
Vermont Community Loan Fund Receivable	-	-	-	-	-	-	-
Due from other funds	<u>1,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	\$ <u>3,801</u>	\$ <u>74,162</u>	\$ <u>329,540</u>	\$ <u>47,655</u>	\$ <u>18,389</u>	\$ <u>23,446</u>	\$ <u>666</u>
LIABILITIES AND FUND EQUITY							
LIABILITIES:							
Due to other funds	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
FUND EQUITY:							
Fund balances -							
Restricted	<u>3,801</u>	<u>74,162</u>	<u>329,540</u>	<u>47,655</u>	<u>18,389</u>	<u>23,446</u>	<u>666</u>
Total liabilities and fund equity	\$ <u>3,801</u>	\$ <u>74,162</u>	\$ <u>329,540</u>	\$ <u>47,655</u>	\$ <u>18,389</u>	\$ <u>23,446</u>	\$ <u>666</u>

TOWN OF WOODSTOCK, VERMONT
COMBINING BALANCE SHEET
PERMANENT FUND
JUNE 30, 2018

Schedule 3
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>
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ 2,416	\$ 1,487	\$ 1,155	\$ 259,731
Investments	25,191	43,451	-	-	1,380,869	1,691,097
Vermont Community Loan Fund Receivable	-	-	-	-	86,811	86,811
Due from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,400</u>
Total assets	\$ <u>25,191</u>	\$ <u>43,451</u>	\$ <u>2,416</u>	\$ <u>1,487</u>	\$ <u>1,468,835</u>	\$ <u>2,039,039</u>
LIABILITIES AND FUND EQUITY						
LIABILITIES:						
Due to other funds	\$ <u>1,400</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,400</u>
FUND EQUITY:						
Fund balances -						
Restricted	<u>23,791</u>	<u>43,451</u>	<u>2,416</u>	<u>1,487</u>	<u>1,468,835</u>	<u>2,037,639</u>
Total liabilities and fund equity	\$ <u>25,191</u>	\$ <u>43,451</u>	\$ <u>2,416</u>	\$ <u>1,487</u>	\$ <u>1,468,835</u>	\$ <u>2,039,039</u>

TOWN OF WOODSTOCK, VERMONT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - PERMANENT FUND
FOR THE YEAR ENDED JUNE 30, 2018

Schedule 4
Page 1 of 2

	Common Fund	Cemetery Fund	Billings Park Fund	Boyce Fund	Dreer Fund	Freeman Fund	Gilman Fund
REVENUES:							
Investment income	\$ -	\$ 111	\$ 93	\$ 100	\$ 10	\$ 12	\$ 1
Net increase (decrease) in fair value of investments	-	-	18,032	(5)	-	-	-
Miscellaneous	<u>13</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>13</u>	<u>111</u>	<u>18,125</u>	<u>95</u>	<u>10</u>	<u>12</u>	<u>1</u>
EXPENDITURES:							
Investment fees	-	-	-	-	-	-	-
Ottauquechee Health Foundation	-	-	-	8,000	-	-	-
Paid to school	-	-	-	-	-	-	-
Scholarships	1,300	-	-	-	-	-	-
Safe deposit box	<u>150</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,450</u>	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OR (EXPENDITURES)	(1,437)	111	18,125	(7,905)	10	12	1
OTHER FINANCING SOURCES (USES):							
Transfers in (out), net	<u>(5,400)</u>	<u>(2,400)</u>	<u>2,400</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>(3,000)</u>
NET CHANGE IN FUND BALANCES	(6,837)	(2,289)	20,525	(4,905)	10	12	(2,999)
FUND BALANCES, July 1, 2017	<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>
FUND BALANCES, June 30, 2018	\$ <u>3,801</u>	\$ <u>74,162</u>	\$ <u>329,540</u>	\$ <u>47,655</u>	\$ <u>18,389</u>	\$ <u>23,446</u>	\$ <u>666</u>

TOWN OF WOODSTOCK, VERMONT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - PERMANENT FUND
FOR THE YEAR ENDED JUNE 30, 2018

Schedule 4
Page 2 of 2

	Whitcomb Fund	Marbara Bagley Scholarship Fund	Gary Hersey Award Fund	George C. Brockway Scholarship Fund	Endowment Fund	Totals Permanent Fund
REVENUES:						
Investment income	\$ -	\$ -	\$ 2	\$ -	\$ 25,421	\$ 25,750
Net increase (decrease) in fair value of investments	(318)	1,429	-	-	76,995	96,133
Miscellaneous	-	-	-	29	1	43
Total revenues	<u>(318)</u>	<u>1,429</u>	<u>2</u>	<u>29</u>	<u>102,417</u>	<u>121,926</u>
EXPENDITURES:						
Investment fees	-	-	-	-	5,231	5,231
Ottawaquechee Health Foundation	-	-	-	-	-	8,000
Paid to school	-	-	-	-	34,000	34,000
Scholarships	-	-	-	-	-	1,300
Safe deposit box	-	-	-	-	-	150
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,231</u>	<u>48,681</u>
EXCESS OF REVENUES OR (EXPENDITURES)	(318)	1,429	2	29	63,186	73,245
OTHER FINANCING SOURCES (USES):						
Transfers in (out), net	-	-	-	-	(12,922)	(18,322)
NET CHANGE IN FUND BALANCES	(318)	1,429	2	29	50,264	54,923
FUND BALANCES, July 1, 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>
FUND BALANCES, June 30, 2018	\$ <u>23,791</u>	\$ <u>43,451</u>	\$ <u>2,416</u>	\$ <u>1,487</u>	\$ <u>1,468,835</u>	\$ <u>2,037,639</u>

TOWN OF WOODSTOCK, VERMONT
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

Schedule 5

**SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF
NET PENSION LIABILITY - VMERS
JUNE 30, 2018**

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Governmental Activities				
Proportion of the net pension liability	0.4100%	0.3747%	0.3688%	0.3439%
Proportionate share of the net pension liability	\$ 496,670	\$ 482,189	\$ 284,356	\$ 31,384
Covered-employee payroll	\$ 1,018,774	\$ 891,257	\$ 833,306	\$ 783,589
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	48.7517%	54.1021%	34.1238%	4.0052%
VMERS net position as a percentage of the total pension liability	83.64%	80.95%	87.42%	98.32%
Business-Type Activities				
Proportion of the net pension liability	0.0962%	0.0945%	0.0989%	0.0909%
Proportionate share of the net pension liability	\$ 116,502	\$ 121,550	\$ 76,259	\$ 8,294
Covered-employee payroll	\$ 238,969	\$ 224,667	\$ 223,478	\$ 220,053
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	48.7519%	54.1023%	34.1237%	3.7691%
VMERS net position as a percentage of the total pension liability	83.64%	80.95%	87.42%	98.32%

TOWN OF WOODSTOCK, VERMONT
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION

Schedule 6

SCHEDULE OF TOWN'S CONTRIBUTIONS
VMERS
JUNE 30, 2018

	June 30, <u>2018</u>	June 30, <u>2017</u>	June 30, <u>2016</u>	June 30, <u>2015</u>
Governmental Activities				
Contractually required contribution	\$ 71,042	\$ 61,571	\$ 57,057	\$ 51,232
Contributions in relation to the contractually required contribution	<u>71,042</u>	<u>61,571</u>	<u>57,057</u>	<u>51,232</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered payroll	\$ 1,018,774	\$ 891,257	\$ 833,306	\$ 783,589
Contributions as a percentage of covered payroll	6.9733%	6.9083%	6.8471%	6.5381%
Business-Type Activities				
Contractually required contribution	\$ 16,669	\$ 15,519	\$ 15,300	\$ 14,387
Contributions in relation to the contractually required contribution	<u>16,669</u>	<u>15,519</u>	<u>15,300</u>	<u>14,387</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered payroll	\$ 238,969	\$ 224,667	\$ 223,478	\$ 220,053
Contributions as a percentage of covered payroll	6.9754%	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, 2018, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated March 27, 2019.

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 Town'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 2018-001 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 no

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

Town's Response to Finding

Management's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. Management's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

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 Town'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 Town's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Montpelier, Vermont
March 27, 2019

*Mudgitt, Perrett &
Hugh-Nixon, P.C.*

**TOWN OF WOODSTOCK
SCHEDULE OF FINDINGS & RESPONSES
FOR THE YEAR ENDED JUNE 30, 2018**

2018-001 Financial procedures and oversight:

On December 2, 2018 we received an email from the Town/Village Accountant that a June 30, 2018 bank reconciliation for a bank account that includes both Town and Village of Woodstock funds was still not complete. It wasn't until late December 2018 that we received a completed bank reconciliation for June 30, 2018 for this Town and Village of Woodstock bank account. Upon review of a trial balance provided by the client in mid December 2018 it was noted that numerous general ledger account balances had not been reconciled to supporting schedules. We noted that Town and Village taxpayers had prepaid their property taxes by around \$354,000 at June 30, 2018. However, the trial balance we received for audit noted no prepaid tax amounts. Upon further investigation we observed that the Town property tax revenue was overstated by around \$423,000 for the year ended June 30, 2018. In the Village of Woodstock it was found that \$46,752 worth of funds received during the year ended June 30, 2018 from the State of Vermont had not been recorded after reviewing reports from the Vermont Department of Finance and Management. These misstatements were corrected by proposed audit adjustments and late client adjustments.

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. We also recommend that a year end close out process take place in a timely manner to ensure accurate reporting by the Town and Village of Woodstock. This would include reconciliations of detailed tax reports to amounts that are reported by the Town and as well as other detail reports to amounts reported by the Town and the Village of Woodstock.

Management's response -

Internal control has always been an integral part of the framework of the financial operations of the Town of Woodstock. Each employee has needed to handle a variety of jobs. Everyone has been encouraged to cross-train as much as possible. The theory being that the more hands involved with a task, the less likely an error will occur. Internal control means that there are protections in place to keep everyone focused on doing their jobs, effectively and efficiently.

Unfortunately, the resources of the Town became stretched and the hands needed to do the work were not readily available. Getting things up and working again is a continuing struggle. There has been a change in personnel and a renewed commitment to the job of making the Town a dynamic, vigorous place to work.

Procedures are now in place to address the problems that developed as a result of the overload of work that started in February 2018. Routines are being used for recurring processes such as posting payroll, to ensure that steps are not missed in the push to get things done in a timely fashion.

Plans are underway to streamline the handling of information, so that financial activities, such as revenue from the State of Vermont, are processed efficiently. Goals have been set to assure for the timely processing of all the information that is necessary to run the Town in this ever changing environment.