

VILLAGE OF WOODSTOCK, VERMONT

FINANCIAL STATEMENTS

JUNE 30, 2020

AND

INDEPENDENT AUDITOR'S REPORTS

VILLAGE OF WOODSTOCK, VERMONT

JUNE 30, 2020

TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Auditor's Report.....	1 - 2
Management's Discussion and Analysis.....	3 - 10
Basic Financial Statements:	
Government-wide Financial Statements -	
Government-wide Statement of Net Position.....	11
Government-wide Statement of Activities	12
Fund Financial Statements -	
Balance Sheet - Governmental Funds	13 - 14
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	15 - 16
Statement of Revenues and Expenditures - Budget and Actual - General Fund	17
Statement of Net Position - Proprietary Fund	18
Statement of Revenues, Expenses and Change in Net Position - Proprietary Fund.....	19
Statement of Cash Flows - Proprietary Fund	20
Notes to Financial Statements	21 - 29
Supplementary Schedules:	
Schedule 1 - Schedule of Revenues and Expenditures - Budget and Actual - General Fund.....	30 - 35
Schedule 2 - Combining Balance Sheet - Permanent Fund	36
Schedule 3 - Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Permanent Fund.....	37
Schedule 4 - Schedule of Village's Proportionate Share of Net Pension Liability - VMERS.....	38
Schedule 5 - Schedule of Village's Contributions - VMERS	38
Compliance Reports:	
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 <i>Government Auditing Standards</i>	39 - 40
Schedule of Findings and Responses	41

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Village 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 Village of Woodstock, Vermont (the Village) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Village'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 Village'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 Village'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 Village of Woodstock, Vermont as of June 30, 2020, 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 4 and 5 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 Village's basic financial statements. The accompanying schedules 1 through 3 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying schedules 1 through 3 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 3 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 April 23, 2021 on our consideration of the Village'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 Village's internal control over financial reporting and compliance.

Montpelier, Vermont
April 23, 2021

Melgett Jenett 9
Shosh-Nisa, P.C.

Management's Discussion and Analysis

The Village of Woodstock was chartered by the State of Vermont on November 11, 1836. It is located in the north central part of the Town of Woodstock. Consisting of approximately one square mile, the Village is the main heart of Woodstock.

The Village of Woodstock is a part of the Town of Woodstock. However, an elected five-member Board of Trustees is responsible for providing municipal services within the Village boundaries. These services include public safety services, planning and zoning, parks, and street lights.

The following is a discussion and analysis of the Village of Woodstock's (the Village) financial performance, including an overview and analysis of the financial activities of the Village for the fiscal year ended June 30, 2020. Readers should consider this information in conjunction with the Village's financial statements which are located after this analysis.

GENERAL FUND BUDGETARY HIGHLIGHTS

On March 3, 2019 the voters of the Village of Woodstock convened at the Town Hall for the annual Village Meeting. A budget (excluding special articles) of \$1,583,535 (for fiscal year 2020) was presented which included specific sums of money to operate the various Village departments. To defray operating costs, the amount needed to be raised by taxation was \$555,542. The budget was voted and adopted.

This budget increased by \$67,295 over the fiscal year 2019 budget. The increase was primarily due to increased personnel costs.

The amount to be raised by taxation (excluding special articles) of \$555,542 was an increase of 8.1% over the previous year's amount.

FINANCIAL HIGHLIGHTS

Government-wide Highlights

The Village's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2020, by \$1,368,161 for its governmental activities. Net position for governmental activities decreased by \$201,648 and net position for business-type activities did not change. There were deferred inflows of resources of \$7,680 and deferred outflows of resources of \$122,583.

Fund Highlights

At the end of the fiscal year, the Village's governmental funds reported a combined ending fund balance of \$594,581, an increase of \$45,246 compared to the prior year. The assigned portion of the combined fund balance includes the General Fund assigned balance of \$32,048 and the Capital Reserve Fund assigned balance of \$113,928 for a total assigned balance of \$145,976. The remaining \$448,605 represents amounts restricted for specific purposes. The proprietary fund reported a net position at June 30, 2020, of \$5,008 which did not change for the year.

Accrued compensated absences

The Village's total accrued compensated absences decreased during the fiscal year to \$107,770.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) establishes accounting principles generally accepted in the United States of America (U.S. GAAP) for governmental entities. The Village's financial statements for the year ended June 30, 2020 are prepared and presented using the guidelines established by the GASB.

The Village'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 Village'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 Village 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 Village. 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 and 3, 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 the budgetary basis for the General Fund and the combining information for the individual components of the Permanent Fund. This section also includes schedules 4 and 5, which report information required by U.S. GAAP. These schedules contain historical pension information for the Village's portion of VMERS.

Government-wide Financial Statements

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

- **Statement of Net Position** - This statement presents information on all of the Village's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between assets plus deferred outflows less liabilities less deferred inflows reported as net position. Over time, increases or decreases in net position may indicate whether the financial position of the Village is improving or deteriorating and what impact deferred outflows and inflows of resources are making.
- **Statement of Activities** - This statement presents information showing how the Village'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 Village's activities are classified as follows:

- **Governmental Activities** - Activities reported here include general government, public safety, highways and streets, and culture and recreation. Property taxes, federal, state and other revenues finance these activities.
- **Business-type Activities** - Activities reported here include the Unemployment 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 Village of Woodstock, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Village's funds can be divided into two categories: governmental and proprietary. Each of these categories uses different methods of accounting.

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

The governmental fund statements include reconciliations of the amounts reported on the governmental fund financial 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 Village's near-term financing decisions. The comparisons are:

- Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position.

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

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

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Position

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

The following table reflects the government-wide net position compared to the prior year.

Net Position June 30, 2020 and June 30, 2019

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current Assets	\$ 614,889	\$ 573,574	\$ 5,008	\$ 5,008	\$ 619,897	\$ 578,582
Noncurrent Assets	1,286,530	1,400,987	-	-	1,286,530	1,400,987
Total Assets	1,901,419	1,974,561	5,008	5,008	1,906,427	1,979,569
Deferred Outflows of Resources	122,583	110,519	-	-	122,583	110,519
Current Liabilities	34,951	38,450	-	-	34,951	38,450
Long-term Liabilities	613,210	470,591	-	-	613,210	470,591
Total Liabilities	648,161	509,041	-	-	648,161	509,041
Deferred Inflows of Resources	7,680	6,230	-	-	7,680	6,230
Net Position:						
Investment in Capital Assets	1,271,887	1,386,776	-	-	1,271,887	1,386,776
Restricted - Expendable	448,605	427,504	5,008	5,008	453,613	432,512
Unrestricted	(352,331)	(244,471)	-	-	(352,331)	(244,471)
Total Net Position	\$ 1,368,161	\$ 1,569,809	\$ 5,008	\$ 5,008	\$ 1,373,169	\$ 1,574,817

The portion of the Village's net position as of June 30, 2020 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 \$1,271,887 or 93% of total net position. The Village uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the Village'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 Village's net position (32.8%) represents restricted net position. These resources are subject to external restrictions on how they may be used. The remaining net position is an unrestricted negative amount of \$352,331 (-25.8%).

At the end of the 2020 fiscal year, the Village of Woodstock is able to report positive balances in two of the three categories of net position for the government as a whole.

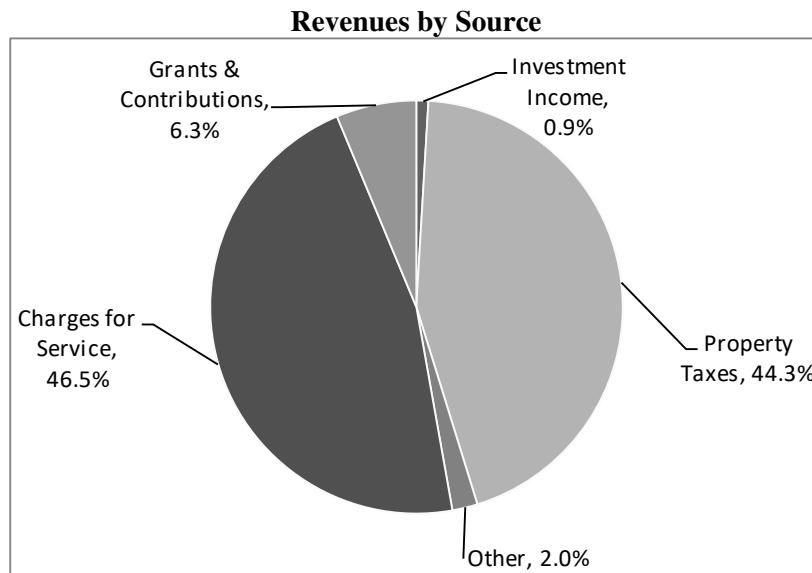
Changes in Net Position for the Fiscal Years Ended June 30, 2020 and 2019

	Governmental Activities		Business-type Activities		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues						
Program Revenues						
Grants and Contributions	\$ 80,212	\$ 70,620	\$ -	\$ -	\$ 80,212	\$ 70,620
Charges for Services	594,002	655,335	-	-	594,002	655,335
Other	25,096	7,315	-	-	25,096	7,315
General Revenues						
Property Taxes	565,542	523,679	-	-	565,542	523,679
Investment Income	12,018	350	-	-	12,018	350
Total Revenues	<u>1,276,870</u>	<u>1,257,299</u>	<u>-</u>	<u>-</u>	<u>1,276,870</u>	<u>1,257,299</u>
Expenses						
Governmental Activities						
General Government	515,742	415,307	-	-	515,742	415,307
Public Works	141,468	142,653	-	-	141,468	142,653
Public Safety	848,588	855,860	-	-	848,588	855,860
Culture and Recreation	-	-	-	-	-	-
Business-type Activities						
Unemployment	-	-	-	-	-	-
Total Expenses	<u>1,505,798</u>	<u>1,413,820</u>	<u>-</u>	<u>-</u>	<u>1,505,798</u>	<u>1,413,820</u>
Changes in Net Position before Changes in Market Value (MV) and Transfers	(228,928)	(156,521)	-	-	(228,928)	(156,521)
MV Increase (Decrease)	<u>27,280</u>	<u>26,082</u>	<u>-</u>	<u>-</u>	<u>27,280</u>	<u>26,082</u>
Changes in Net Position	(201,648)	(130,439)	-	-	(201,648)	(130,439)
Net Position - Beginning	<u>1,569,809</u>	<u>1,700,248</u>	<u>5,008</u>	<u>5,008</u>	<u>1,574,817</u>	<u>1,705,256</u>
Net Position - Ending	<u>\$ 1,368,161</u>	<u>\$ 1,569,809</u>	<u>\$ 5,008</u>	<u>\$ 5,008</u>	<u>\$ 1,373,169</u>	<u>\$ 1,574,817</u>

Governmental Activities - In fiscal year 2020, property taxes provided 44.3% of revenues. Grants and Contributions accounted for 6.3%. The amount earned on investments was 0.94% of total governmental activities revenues. Charges for Services brought in 46.5%.

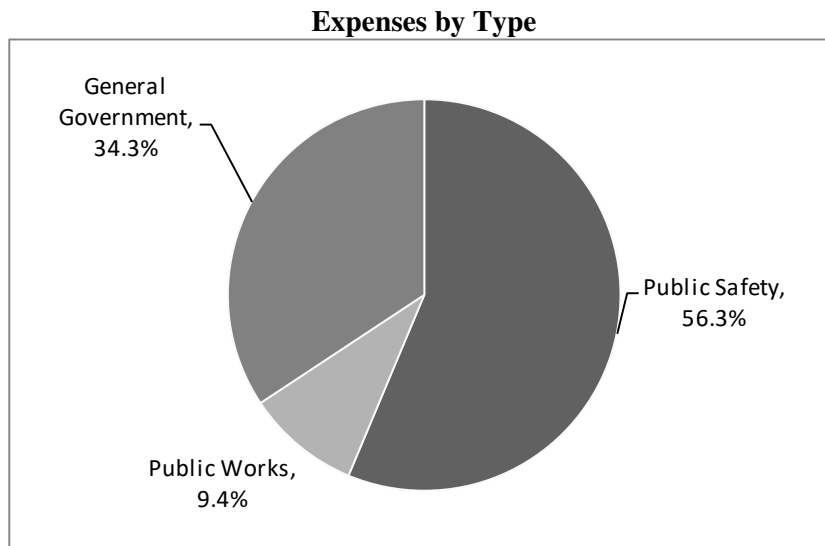
Business-type Activities - No revenue was reported for fiscal year 2020.

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



For fiscal year 2020, governmental activities expenses exceeded program revenues by \$806,488 compared to \$680,550 for fiscal year 2019.

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



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

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

The focus of the Village 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 Village’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 Village’s governmental funds reported combined ending fund balances of \$594,581. A total assigned balance of \$145,976 consists of a General Fund assigned balance of \$32,048 and a Capital Reserve Fund assigned balance of \$113,928. The remainder of the fund balance represents amounts classified for specific purposes.

General Fund - The General Fund is the chief operating fund of the Village. At the end of the current fiscal year, assigned fund balance was \$32,048. As a measure of the General Fund’s liquidity, it may be useful to compare total fund balance to total General Fund expenditures and interfund transfers. Total fund balance represents 2.51% of total General Fund expenditures and interfund transfers out. The fund balance of the Village’s General Fund increased by \$5,945 during the fiscal year.

Proprietary Funds - The Village’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 Village also makes a similar calculation for the Unemployment Fund.

Restricted net position of the Village’s Unemployment Fund amounts to \$5,008, unchanged from last year. Other factors concerning this fund have already been addressed in the discussion of the Village’s business-type activities.

CAPITAL ASSETS

The Village’s investment in capital assets for its governmental and business-type activities as of June 30, 2020, amounts to \$1,271,887 (net of depreciation). This amount represents a decrease of \$114,889 from the prior year. This investment in capital assets includes land and improvements, buildings and improvements, vehicles and equipment, and infrastructure.

Capital Assets as of June 30, 2020 and June 30, 2019
(Net of Depreciation)

	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land	\$ 107,798	\$ 107,798	\$ -	\$ -	\$ 107,798	\$ 107,798
Land Improvements	568,790	616,312	-	-	568,790	616,312
Infrastructure	438,837	473,660	-	-	438,837	473,660
Buildings and Improvements	46,022	48,350	-	-	46,022	48,350
Vehicles and Equipment	104,292	133,547	-	-	104,292	133,547
Office Equipment and Computers	6,148	7,109	-	-	6,148	7,109
Total Capital Assets	<u>\$ 1,271,887</u>	<u>\$ 1,386,776</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,271,887</u>	<u>\$ 1,386,776</u>

Additional information on the Village’s capital assets can be found in Note 4, “Capital Assets.”

FISCAL YEAR 2021 BUDGET

For fiscal year 2021, property taxes are projected to increase 3.2% or \$17,500 over last year's budget.

Notwithstanding the anticipated level of funding of state aid, increases for public safety, highway maintenance, and allocations for special articles, the fiscal year 2021 budget adopted at the Village Meeting in March 2020 will maintain services at the fiscal year 2020 levels.

Requests for Information

This financial report is designed to provide a general overview of the Village of Woodstock's finances for all those with an interest in the Village'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, Village of Woodstock, PO Box 488, Woodstock VT 05091.

VILLAGE OF WOODSTOCK, VERMONT
GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2020

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Totals</u>
ASSETS:			
Current assets -			
Cash and cash equivalents	\$ 198,071	\$ 5,008	\$ 203,079
Investments	241,809	-	241,809
Accounts receivable	9,000	-	9,000
Due from Town of Woodstock	<u>166,009</u>	<u>-</u>	<u>166,009</u>
Total current assets	<u>614,889</u>	<u>5,008</u>	<u>619,897</u>
Noncurrent assets -			
Note receivable	14,643	-	14,643
Capital assets	2,658,956	-	2,658,956
less - accumulated depreciation	<u>(1,387,069)</u>	<u>-</u>	<u>(1,387,069)</u>
Total noncurrent assets	<u>1,286,530</u>	<u>-</u>	<u>1,286,530</u>
Total assets	<u>1,901,419</u>	<u>5,008</u>	<u>1,906,427</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred pension expense	<u>122,583</u>	<u>-</u>	<u>122,583</u>
LIABILITIES:			
Current liabilities -			
Accounts payable	11,757	-	11,757
Accrued expenses	<u>23,194</u>	<u>-</u>	<u>23,194</u>
Total current liabilities	<u>34,951</u>	<u>-</u>	<u>34,951</u>
Noncurrent liabilities -			
Accrued compensated absences	107,770	-	107,770
Net pension liability	<u>505,440</u>	<u>-</u>	<u>505,440</u>
Total noncurrent liabilities	<u>613,210</u>	<u>-</u>	<u>613,210</u>
Total liabilities	<u>648,161</u>	<u>-</u>	<u>648,161</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred pension credits	<u>7,680</u>	<u>-</u>	<u>7,680</u>
NET POSITION:			
Investment in capital assets	1,271,887	-	1,271,887
Restricted	448,605	5,008	453,613
Unrestricted	<u>(352,331)</u>	<u>-</u>	<u>(352,331)</u>
Total net position	<u>\$ 1,368,161</u>	<u>\$ 5,008</u>	<u>\$ 1,373,169</u>

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

**VILLAGE OF WOODSTOCK, VERMONT
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Expenses</u>	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Grants and Contributions	Charges for Services	Other	Governmental Activities	Business-type Activities	Totals
FUNCTIONS/PROGRAMS:							
Governmental activities -							
General government	\$ 515,742	\$ 16,643	\$ 11,426	\$ 25,096	\$ (462,577)	\$ -	\$ (462,577)
Highways, streets, and bridges	141,468	46,006	-	-	(95,462)	-	(95,462)
Public safety	<u>848,588</u>	<u>17,563</u>	<u>582,576</u>	<u>-</u>	<u>(248,449)</u>	<u>-</u>	<u>(248,449)</u>
Total governmental activities	<u>1,505,798</u>	<u>80,212</u>	<u>594,002</u>	<u>25,096</u>	<u>(806,488)</u>	<u>-</u>	<u>(806,488)</u>
Business-type activities -							
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,505,798</u>	<u>\$ 80,212</u>	<u>\$ 594,002</u>	<u>\$ 25,096</u>	<u>(806,488)</u>	<u>-</u>	<u>(806,488)</u>
GENERAL REVENUES - PROPERTY TAXES					565,542	-	565,542
- INVESTMENT INCOME					12,018	-	12,018
- NET INCREASE (DECREASE) IN FAIR VALUE OF INVESTMENTS					<u>27,280</u>	<u>-</u>	<u>27,280</u>
					<u>604,840</u>	<u>-</u>	<u>604,840</u>
CHANGE IN NET POSITION					(201,648)	-	(201,648)
NET POSITION, July 1, 2019					<u>1,569,809</u>	<u>5,008</u>	<u>1,574,817</u>
NET POSITION, June 30, 2020					<u>\$ 1,368,161</u>	<u>\$ 5,008</u>	<u>\$ 1,373,169</u>

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

**VILLAGE OF WOODSTOCK, VERMONT
BALANCE SHEET - GOVERNMENTAL FUNDS**

JUNE 30, 2020

(Page 1 of 2)

	<u>General Fund</u>	<u>Capital Reserve Fund</u>	<u>Permanent Fund</u>	<u>Totals Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 4,718	\$ -	\$ 193,353	\$ 198,071
Investments	-	-	241,809	241,809
Accounts receivable	9,000	-	-	9,000
Vermont Community Loan Fund Receivable	-	-	14,643	14,643
Due from other funds	1,200	-	-	1,200
Due from Town of Woodstock	<u>52,081</u>	<u>113,928</u>	<u>-</u>	<u>166,009</u>
Total assets	<u>\$ 66,999</u>	<u>\$ 113,928</u>	<u>\$ 449,805</u>	<u>\$ 630,732</u>
LIABILITIES AND FUND EQUITY				
LIABILITIES:				
Accounts payable	\$ 11,757	\$ -	\$ -	\$ 11,757
Accrued expenses	23,194	-	-	23,194
Due to other funds	<u>-</u>	<u>-</u>	<u>1,200</u>	<u>1,200</u>
Total liabilities	<u>34,951</u>	<u>-</u>	<u>1,200</u>	<u>36,151</u>
FUND EQUITY:				
Fund balances -				
Restricted	-	-	448,605	448,605
Assigned	<u>32,048</u>	<u>113,928</u>	<u>-</u>	<u>145,976</u>
Total fund balances	<u>32,048</u>	<u>113,928</u>	<u>448,605</u>	<u>594,581</u>
Total liabilities and fund equity	<u>\$ 66,999</u>	<u>\$ 113,928</u>	<u>\$ 449,805</u>	<u>\$ 630,732</u>

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

VILLAGE OF WOODSTOCK, VERMONT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2020
(Page 2 of 2)

**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	\$	594,581
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		2,658,956
Accumulated depreciation		(1,387,069)
Liabilities not due and payable in the year are not reported in the governmental funds.		
Accrued compensated absences		(107,770)
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		122,583
Deferred pension credits		(7,680)
Net pension liability		<u>(505,440)</u>
Net position of governmental activities - Government-wide Statement of Net Position	\$	<u>1,368,161</u>

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

VILLAGE OF WOODSTOCK, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(Page 1 of 2)

	General Fund	Capital Reserve Fund	Permanent Fund	Totals Governmental Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
REVENUES:				
Property taxes	\$ 565,542	\$ -	\$ -	\$ 565,542
Intergovernmental	80,212	-	-	80,212
Licenses, permits, fines, and fees	212,930	-	-	212,930
Charges for goods and services	381,073	-	-	381,073
Investment income	8,168	-	3,850	12,018
Net increase (decrease) in fair value of investments	-	-	27,280	27,280
Miscellaneous	25,095	-	-	25,095
Total revenues	<u>1,273,020</u>	<u>-</u>	<u>31,130</u>	<u>1,304,150</u>
EXPENDITURES:				
General government	379,711	-	29	379,740
Highways, streets, and bridges	47,456	-	-	47,456
Public safety	811,605	-	-	811,605
Special Articles	470	-	-	470
Grant expense	19,633	-	-	19,633
Total expenditures	<u>1,258,875</u>	<u>-</u>	<u>29</u>	<u>1,258,904</u>
EXCESS OF REVENUES OR (EXPENDITURES)	<u>14,145</u>	<u>-</u>	<u>31,101</u>	<u>45,246</u>
OTHER FINANCING SOURCES (USES):				
Interfund transfers in	11,450	19,650	-	31,100
Interfund transfers out	(19,650)	(1,450)	(10,000)	(31,100)
Total other financing sources (uses)	<u>(8,200)</u>	<u>18,200</u>	<u>(10,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	5,945	18,200	21,101	45,246
FUND BALANCES, July 1, 2019	<u>26,103</u>	<u>95,728</u>	<u>427,504</u>	<u>549,335</u>
FUND BALANCES, June 30, 2020	\$ <u>32,048</u>	\$ <u>113,928</u>	\$ <u>448,605</u>	\$ <u>594,581</u>

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

**VILLAGE OF WOODSTOCK, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

(Page 2 of 2)

**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	\$	45,246
<p>Amounts reported for governmental activities in the Government-wide Statement of Activities are different because -</p>		
<p>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.</p>		
Depreciation		(114,889)
<p>The (increase) decrease in compensated absences is recorded in the Statement of Activities, but is not recorded in the governmental funds.</p>		
(Increase) decrease in compensated absences, net		26,921
<p>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.</p>		
Net (increase) decrease in net pension obligation		<u>(158,926)</u>
Change in net position of governmental activities - Government-wide Statement of Activities	\$	<u>(201,648)</u>

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

**VILLAGE OF WOODSTOCK, VERMONT
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Original and Final <u>Budget</u>	Actual (Budgetary Basis) <u> </u>	Variance Over (Under) <u> </u>
REVENUES:			
Property taxes	\$ 566,542	\$ 565,542	\$ (1,000)
Licenses and permits	9,000	11,176	2,176
Intergovernmental	44,900	80,212	35,312
Charges for services	409,893	381,072	(28,821)
Fines and forfeits	258,000	201,504	(56,496)
Investment income	1,000	8,168	7,168
Miscellaneous	2,000	25,346	23,346
Total revenues	<u>1,291,335</u>	<u>1,273,020</u>	<u>(18,315)</u>
EXPENDITURES:			
General government	359,805	379,711	19,906
Public safety	869,480	811,605	(57,875)
Highways and streets	44,900	46,006	1,106
Special Articles	10,800	470	(10,330)
Grant expenses	-	19,633	19,633
Capital reserve spending	1,700	1,450	(250)
Total expenditures	<u>1,286,685</u>	<u>1,258,875</u>	<u>(27,810)</u>
 EXCESS OF REVENUES OR (EXPENDITURES)	 <u>4,650</u>	 <u>14,145</u>	 <u>9,495</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	15,000	11,450	(3,550)
Transfers out	<u>(19,650)</u>	<u>(19,650)</u>	<u>-</u>
Total other financing sources (uses)	<u>(4,650)</u>	<u>(8,200)</u>	<u>(3,550)</u>
 NET CHANGE IN FUND BALANCE	 <u>\$ -</u>	 <u>\$ 5,945</u>	 <u>\$ 5,945</u>

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

VILLAGE OF WOODSTOCK, VERMONT
STATEMENT OF NET POSITION - PROPRIETARY FUND
JUNE 30, 2020

	<u>Unemployment Fund</u>
ASSETS:	
Cash and cash equivalents	\$ <u>5,008</u>
LIABILITIES:	
	<u>-</u>
NET POSITION:	
Restricted	\$ <u>5,008</u>

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

**VILLAGE OF WOODSTOCK, VERMONT
STATEMENT OF REVENUES, EXPENSES AND CHANGE
IN NET POSITION - PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Unemployment Fund</u>
OPERATING REVENUES	\$ -
OPERATING EXPENSES	<u>-</u>
Operating income (loss)	-
NONOPERATING REVENUES (EXPENSES)	<u>-</u>
Operating transfers in (out)	<u>-</u>
CHANGE IN NET POSITION	-
NET POSITION, July 1, 2019	<u>5,008</u>
NET POSITION, June 30, 2020	\$ <u>5,008</u>

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

**VILLAGE OF WOODSTOCK, VERMONT
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Unemployment <u>Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	\$ <u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	<u>-</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	-
CASH AND CASH EQUIVALENTS, July 1, 2019	<u>5,008</u>
CASH AND CASH EQUIVALENTS, June 30, 2020	\$ <u>5,008</u>

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

VILLAGE OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

1. Summary of significant accounting policies:

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

- A. Reporting entity - The Village 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 Village.

The financial statements of the Village 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 Village. 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 Village 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.

- C. Basis of presentation - The accounts of the Village 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.

VILLAGE OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

1. Summary of significant accounting policies (continued):

C. Basis of presentation (continued) -

The Village reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Village. 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 Village'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 Board of Trustees.

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

The Village also reports the Unemployment Fund, a nonmajor proprietary fund, to provide funds to liquidate any unemployment claims, as the Village 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.

Licenses and permits, fines and forfeitures, and miscellaneous revenues are recorded as revenues when received because they are generally not measurable prior to collection. Investment earnings and certain intergovernmental grants are recorded as earned.

E. Budgets and budgetary accounting - The Village adopts a budget for the General Fund at an annual Village Meeting. The tax rate is determined by the Board of Trustees 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. The Village does not legally adopt budgets for other governmental funds. All budgeted amounts lapse at year end.

VILLAGE OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

1. Summary of significant accounting policies (continued):

- 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 Board of Trustees sets the tax rate required to raise the tax revenue authorized by Village voters. Property taxes for the fiscal year ended June 30, 2020 were payable in two installments due November 2019 and May 2020.
- 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 Village 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 Village 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 Village. There were no settlements in excess of the insurance coverage in any of the past three fiscal years.

The Village is self-insured for unemployment insurance and \$5,008 has been set aside in the Unemployment Fund to liquidate any unemployment claims. While a calculation of maximum potential unemployment claims has not been made, management believes that the amount in this Fund is sufficient to cover claims asserted in the normal course of business.

- I. Cash, cash equivalents and investments - The Village 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 Village 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 Village 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. 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 fund financial statements. Capital assets are defined by the Village 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 Village does not retroactively report infrastructure assets. The Village 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.

VILLAGE OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

1. Summary of significant accounting policies (continued):

J. Capital assets (continued) -

Capital assets are depreciated using the straight-line method over the useful lives shown below:

Buildings and improvements	15 - 40 years
Vehicles and equipment	4 - 20 years
Office equipment and computers	5 - 10 years
Infrastructure	25 years

K. Deferred outflows/inflows of resources - In addition to assets and liabilities, deferred outflows of resources and deferred inflows of resources are reported as separate sections in the applicable statement of net position or balance sheet. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources in the current period. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources in the current period.

L. Compensated absences - Employees are granted vacation leave based upon their number of years of employment with the Village. 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 not to exceed 128 sick leave days. Upon retirement, termination or death, certain employees are compensated for up to a maximum of 128 days of sick leave (subject to certain limitations) at their then current rates of pay, provided that the employee gives a minimum notice of two weeks if the employee resigns.

Compensated absences are reported as accrued compensated absences in the government-wide financial statements.

The Village's accrued compensated absences at June 30, 2020 totaled \$107,770, a decrease of \$26,921 from the balance of \$134,691 at June 30, 2019.

M. 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.

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

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

VILLAGE OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

1. Summary of significant accounting policies (continued):

N. Fund equity (continued) -

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

Committed fund balance includes amounts that can be used only for specific purposes determined by the Village'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 Village for specific purposes as authorized by the Board of Trustees.

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 Village's policy is to apply expenditures to the fund balance in the order of restricted, committed, assigned and unassigned unless the Board of Trustees 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, 2020 are as follows:

<u>Investment</u>	<u>Fair Value</u>
Mutual funds	\$ 240,546
Corporate stocks - domestic	<u>1,263</u>
	\$ <u>241,809</u>

Custodial credit risk - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Village 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, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The Village does not have a policy for custodial credit risk. As of June 30, 2020, the Village's depository accounts were insured or collateralized.

3. Note receivable:

The Village has a 10-year \$13,700 note receivable from the Vermont Community Loan Fund, due January 2028 with an interest rate of 3%. The balance at June 30, 2020 was \$14,643.

VILLAGE OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

4. Capital assets:

Capital asset activity for the year ended June 30, 2020 was as follows:

	<u>Balance</u> <u>July 1, 2019</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>June 30, 2020</u>
Governmental activities -				
Capital assets, not depreciated:				
Land	\$ <u>107,798</u>	\$ -	\$ -	\$ <u>107,798</u>
Capital assets, depreciated:				
Land improvements	974,100	-	-	974,100
Buildings and improvements	107,353	-	-	107,353
Vehicles and equipment	521,208	-	-	521,208
Office equipment and computers	77,921	-	-	77,921
Infrastructure	<u>870,576</u>	<u>-</u>	<u>-</u>	<u>870,576</u>
Total capital assets, depreciated	<u>2,551,158</u>	<u>-</u>	<u>-</u>	<u>2,551,158</u>
Less accumulated depreciation for:				
Land improvements	357,788	47,522	-	405,310
Buildings and improvements	59,003	2,328	-	61,331
Vehicles and equipment	387,661	29,255	-	416,916
Office equipment and computers	70,812	961	-	71,773
Infrastructure	<u>396,916</u>	<u>34,823</u>	<u>-</u>	<u>431,739</u>
Total accumulated depreciation	<u>1,272,180</u>	<u>114,889</u>	<u>-</u>	<u>1,387,069</u>
Total capital assets, depreciated, net	<u>1,278,978</u>	<u>(114,889)</u>	<u>-</u>	<u>1,164,089</u>
Capital assets, net	\$ <u>1,386,776</u>	\$ <u>(114,889)</u>	\$ -	\$ <u>1,271,887</u>

Depreciation expense of \$114,889 in the governmental activities was allocated to expenses of the general government (\$3,527), highways, streets, and bridges (\$94,012), and public safety (\$17,350) programs based on capital assets assigned to those functions.

5. Interfund receivable and payable balances:

Interfund receivable and payable balances at June 30, 2020 is made up of a \$1,200 owed to the General Fund for transfers from the Permanent Fund.

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, 2020 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental funds -		
General Fund	\$ 11,450	\$ 19,650
Capital Reserve Fund	19,650	1,450
Permanent Fund	<u>-</u>	<u>10,000</u>
	\$ <u>31,100</u>	\$ <u>31,100</u>

VILLAGE OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

6. Interfund transfers (continued):

Transfers from the General Fund to the Capital Reserve Fund totaling \$19,650 represent Board of Trustee assigned transfers. The transfers from the Capital Reserve Fund to the General Fund totaling \$1,450 were for the payment of assigned capital expenditures. The transfers from the Permanent Fund to the General Fund totaling \$10,000 were for budgeted and Board of Trustee approved disbursements of assets from the Permanent Fund.

7. Related party:

The Village shares common personnel, office facilities and equipment with the Town of Woodstock. The Village also has a significant amount of its cash pooled in the Town of Woodstock General Fund. Shared costs are billed and paid within normal payment cycles. As of June 30, 2020, amounts due to the Village from the Town of Woodstock totaled \$166,009.

8. Police services:

The Village and the Town of Woodstock (the Town) have entered into an agreement for the Village to provide police services to the Town. The Village has recorded revenues of \$365,685 applicable to these services.

9. Fund balances:

As of June 30, 2020, the fund balances of the governmental funds consisted of the following:

	<u>General Fund</u>	<u>Capital Reserve Fund</u>	<u>Permanent Fund</u>	<u>Totals</u>
Restricted:				
Benefit of the Village	\$ -	\$ -	\$ 448,605	\$ 448,605
Assigned:				
Parking program	26,485	-	-	26,485
Capital projects and equipment	-	113,928	-	113,928
Accrued benefits	<u>5,563</u>	<u>-</u>	<u>-</u>	<u>5,563</u>
	<u>32,048</u>	<u>113,928</u>	<u>-</u>	<u>145,976</u>
	<u>\$ 32,048</u>	<u>\$ 113,928</u>	<u>\$ 448,605</u>	<u>\$ 594,581</u>

For the year ended June 30, 2020, the changes in the Capital Reserve Fund's assigned and unassigned fund balances were as follows:

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Withdrawals</u>	<u>Reclassifications</u>	<u>Balance June 30, 2020</u>
Assigned fund balance -					
Office equipment	\$ -	\$ 200	\$ -	\$ -	\$ 200
Village plan update	5,000	1,000	-	-	6,000
Planning and zoning	44,580	-	-	-	44,580

VILLAGE OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

9. Fund balances (continued):

	Balance				Balance
	<u>July 1, 2019</u>	<u>Additions</u>	<u>Withdrawals</u>	<u>Reclassifications</u>	<u>June 30, 2020</u>
Assigned fund balance (continued) -					
Snow blower	31,674	-	-	-	31,674
Manager pick-up	460	1,200	1,450	-	210
Storage trailer	700	-	-	-	700
Police computer	4,925	250	-	-	5,175
Police cruiser	-	15,000	-	-	15,000
Radio system	5,000	2,000	-	-	7,000
Radar speed sign	14	-	-	-	14
Police equipment	1,900	-	-	-	1,900
Police communications	<u>1,475</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,475</u>
Total assigned fund balance	<u>95,728</u>	<u>19,650</u>	<u>1,450</u>	<u>-</u>	<u>113,928</u>
 Total Capital Reserve fund balance	 \$ <u>95,728</u>	 \$ <u>19,650</u>	 \$ <u>1,450</u>	 \$ <u>-</u>	 \$ <u>113,928</u>

10. Pension plan:

Vermont Municipal Employees' Retirement System -

Plan description: The Village 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 groups included in the Plan, but are determined for the members of each group as a percentage of average compensation in a certain number of the highest consecutive years of service. Eligibility for benefits requires five years of service.

Contributions: Defined Benefit Plan members are required to contribute 2.75% (Group A), 5.125% (Group B), 10.25% (Group C) or 11.6% (Group D) of their annual covered salary, and the Village is required to contribute 4.25% (Group A), 5.75% (Group B), 7.5% (Group C) or 10.1% (Group D) of the employees' compensation. Defined contribution plan members are required to contribute 5.0% of their annual covered salary and the Village is required to contribute an equal dollar amount. The contribution requirements of plan members and the Village are established and may be amended by the Board of Trustees. The Village's contributions to VMERS for the years ended June 30, 2020, 2019, and 2018, were

VILLAGE OF WOODSTOCK, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

10. Pension plan (continued):

Vermont Municipal Employees' Retirement System (continued) -

\$50,688, \$45,361, and \$41,674, 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 Village'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 Village and Town of Woodstock's combined 0.73421% proportionate share of VMERS Defined Benefit Plan. In addition, Village management has estimated 0.29133% of the total VMERS net pension liability to be attributable to governmental activities of the Village. Town of Woodstock management has estimated that the Town of Woodstock has a 0.44288% proportionate share of the total VMERS net pension liability.

Village share of VMERS net pension liability	\$ 505,440
Deferred outflow of resources - Deferred pension expense	\$ 122,583
Deferred inflow of resources - Deferred pension credits	\$ 7,680

The Village's share of the VMERS net pension liability increased \$169,540 from a balance of \$335,900 at June 30, 2019.

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 Village adopted GASB Statement No. 68 in fiscal year 2015 and is developing the ten years of required supplementary information in schedules 4 and 5. This historical pension information includes the Village's Proportionate Share of Net Pension Liability of VMERS and Village's Contributions to VMERS.

11. Subsequent events:

The Village has evaluated subsequent events through April 23, 2021, the date on which the financial statements were available to be issued.

VILLAGE OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

Schedule 1
Page 1 of 6

	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
REVENUES:			
Property Taxes -			
Real estate	\$ 565,542	\$ 565,542	\$ -
In lieu of taxes	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Total Property Taxes	<u>566,542</u>	<u>565,542</u>	<u>(1,000)</u>
Licenses and Permits -			
Curb cut permits	-	275	275
Registrations	-	825	825
Zoning permits	9,000	10,049	1,049
Yard sale permits	-	10	10
Zoning maps and regulations	<u>-</u>	<u>17</u>	<u>17</u>
Total Licenses and Permits	<u>9,000</u>	<u>11,176</u>	<u>2,176</u>
Intergovernmental -			
Highway state aid	44,900	46,006	1,106
Reappraisal	-	16,643	16,643
DUI enforcement grant	<u>-</u>	<u>17,563</u>	<u>17,563</u>
Total Intergovernmental	<u>44,900</u>	<u>80,212</u>	<u>35,312</u>
Charges for Services -			
Alarms answered	500	3,720	3,220
Miscellaneous police revenue	-	9,501	9,501
Police contract with Town of Woodstock	392,393	365,685	(26,708)
Police contracts	<u>17,000</u>	<u>2,166</u>	<u>(14,834)</u>
Total Charges for Services	<u>409,893</u>	<u>381,072</u>	<u>(28,821)</u>
Fines and Forfeits -			
Parking ticket fines	23,000	18,575	(4,425)
Parking meter revenue - coins	105,000	72,608	(32,392)
Parking meter revenue - credit cards	50,000	45,921	(4,079)
Moving violations	<u>80,000</u>	<u>64,400</u>	<u>(15,600)</u>
Total Fines and Forfeits	<u>258,000</u>	<u>201,504</u>	<u>(56,496)</u>
Miscellaneous -			
Investment income	1,000	8,168	7,168
Miscellaneous	<u>2,000</u>	<u>25,346</u>	<u>23,346</u>
Total Miscellaneous	<u>3,000</u>	<u>33,514</u>	<u>30,514</u>
Total Revenues	<u>1,291,335</u>	<u>1,273,020</u>	<u>(18,315)</u>

VILLAGE OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

Schedule 1
Page 2 of 6

	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES:			
General Government -			
Trustees:			
Salaries and wages	3,750	3,750	-
Benefits	300	554	254
Compensated absences	28,000	-	(28,000)
Advertising	1,000	2,072	1,072
Dues, subscriptions, and meetings	1,000	964	(36)
Printing Village annual report	1,200	-	(1,200)
Legal fees	2,750	12,820	10,070
Community television	1,200	1,100	(100)
Lobbyist	5,000	7,250	2,250
Insurance	75,000	65,845	(9,155)
Unclassified	3,000	1,592	(1,408)
Total Trustees	<u>122,200</u>	<u>95,947</u>	<u>(26,253)</u>
Executive Department:			
Managing Municipality -			
Salaries and wages	45,600	29,575	(16,025)
Benefits	16,200	9,203	(6,997)
Professional services	50	-	(50)
Dues, subscriptions, and meetings	650	102	(548)
Advertising	50	-	(50)
Total Executive Department	<u>62,550</u>	<u>38,880</u>	<u>(23,670)</u>
Finance Department:			
Collection, Custody, and Distribution of Funds -			
Salaries and wages	1,500	1,248	(252)
Benefits	130	93	(37)
Travel and transportation	40	-	(40)
Total collection, custody, and distribution of funds	<u>1,670</u>	<u>1,341</u>	<u>(329)</u>
Accounting and Bookkeeping -			
Salaries and wages	25,500	22,121	(3,379)
Benefits	11,800	10,469	(1,331)
Professional services	400	3,599	3,199
Dues, subscriptions, and meetings	60	-	(60)
Total accounting and bookkeeping	<u>37,760</u>	<u>36,189</u>	<u>(1,571)</u>
Auditing -			
Professional services	14,000	11,000	(3,000)
Total Finance Department	<u>53,430</u>	<u>48,530</u>	<u>(4,900)</u>

VILLAGE OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

Schedule 1
Page 3 of 6

	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
General Government (continued) -			
Village Clerk:			
Salaries	400	-	(400)
Administration:			
Equipment repairs and maintenance	2,500	4,790	2,290
Communications	2,200	1,155	(1,045)
Manager's search	-	23,111	23,111
Office supplies	1,500	1,165	(335)
Postage	1,800	1,944	144
Operating supplies	1,500	1,149	(351)
Total Administration	<u>9,500</u>	<u>33,314</u>	<u>23,814</u>
Boards and Agencies:			
Municipal Planning and Zoning -			
Salaries and wages	75,800	127,723	51,923
Benefits	31,200	31,422	222
Advertising	2,500	2,667	167
Dues, subscriptions, and meetings	1,150	961	(189)
Travel and transportation	275	247	(28)
Professional services	500	-	(500)
Equipment purchase	300	20	(280)
Total Municipal Planning and Zoning	<u>111,725</u>	<u>163,040</u>	<u>51,315</u>
Total General Government	<u>359,805</u>	<u>379,711</u>	<u>19,906</u>
Public Safety -			
Police Administration:			
Salaries and wages	129,300	129,544	244
EMT training and stipend	1,750	1,525	(225)
Benefits	40,000	55,049	15,049
Office supplies	600	589	(11)
Travel and transportation	275	151	(124)
Advertising	300	370	70
Operating supplies	1,600	1,592	(8)
Dues, subscriptions, and meetings	1,500	2,813	1,313
Printing and binding	100	100	-
Total Police Administration	<u>175,425</u>	<u>191,733</u>	<u>16,308</u>
Police Office Maintenance:			
Salaries and wages	2,000	813	(1,187)
Benefits	150	53	(97)

VILLAGE OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

Schedule 1
Page 4 of 6

	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
Public Safety (continued) -			
Police Office Maintenance (continued):			
Propane	2,000	2,000	-
Electricity	1,800	1,800	-
Rubbish removal	1,500	2,125	625
Water & sewer	700	194	(506)
Building maintenance	1,500	6,093	4,593
Total Police Office Maintenance	<u>9,650</u>	<u>13,078</u>	<u>3,428</u>
Law Enforcement:			
Salaries and wages	282,900	235,136	(47,764)
Benefits	80,200	72,405	(7,795)
Contract police coverage	-	8,909	8,909
Stipend	12,000	8,546	(3,454)
Operating supplies	850	848	(2)
Professional services	1,000	1,128	128
Weapon maintenance and supplies	1,500	1,439	(61)
Uniform service	4,000	3,986	(14)
Bike patrol	200	50	(150)
Small tools and equipment	3,200	3,194	(6)
Officer video recording	100	80	(20)
Dues, subscriptions, and meetings	350	330	(20)
Total Law Enforcement	<u>386,300</u>	<u>336,051</u>	<u>(50,249)</u>
Town Police Services:			
Salaries and wages	78,000	73,469	(4,531)
Training wages	1,300	1,243	(57)
Stipend	2,200	-	(2,200)
Training paid benefits	200	-	(200)
Employer paid benefits	22,500	23,086	586
Uniform service	1,300	1,298	(2)
Extended vehicle warranty	1,200	-	(1,200)
Vehicle repair and maintenance	2,500	2,480	(20)
Small tools and equipment	500	531	31
4X4 vehicle lease	7,800	-	(7,800)
4X4 radio, lights, radar	800	763	(37)
Communications	300	323	23
Fuel	2,750	2,239	(511)
Dues, subscriptions and meetings	125	123	(2)
Tuition	750	628	(122)
Total Town Police Services	<u>122,225</u>	<u>106,183</u>	<u>(16,042)</u>

VILLAGE OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

Schedule 1
Page 5 of 6

	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
Public Safety (continued) -			
Training:			
Salaries and wages	5,500	6,196	696
Benefits	350	441	91
Tuition	1,900	1,814	(86)
Travel and transportation	300	85	(215)
Total Training	<u>8,050</u>	<u>8,536</u>	<u>486</u>
Communications:			
Repairs and maintenance	400	498	98
Dispatch services	64,730	64,730	-
Communications	11,000	12,038	1,038
Total Communications	<u>76,130</u>	<u>77,266</u>	<u>1,136</u>
Vehicles and Equipment:			
Repairs and maintenance	3,500	3,299	(201)
Small tools and equipment	600	484	(116)
Gasoline	9,000	6,293	(2,707)
Total Vehicles and Equipment	<u>13,100</u>	<u>10,076</u>	<u>(3,024)</u>
Parking Meters:			
Salaries and wages	24,400	21,567	(2,833)
Benefits	2,000	1,685	(315)
Office supplies	3,000	1,231	(1,769)
Repairs and maintenance	1,000	623	(377)
Credit card meter replacement	8,000	6,571	(1,429)
Equipment purchase	3,500	2,533	(967)
Postage	3,000	2,773	(227)
Professional service	200	130	(70)
Computer software	1,000	979	(21)
Parking meter credit card fees	20,800	18,922	(1,878)
Parking lot rental	11,000	11,000	-
Small tools and equipment	700	668	(32)
Total Parking Meters	<u>78,600</u>	<u>68,682</u>	<u>(9,918)</u>
Total Public Safety	<u>869,480</u>	<u>811,605</u>	<u>(57,875)</u>

VILLAGE OF WOODSTOCK, VERMONT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

Schedule 1
Page 6 of 6

	<u>Original and Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED):			
Highways and Streets -			
State aid rebate paid to Town of Woodstock	44,900	46,006	1,106
Total Highways and Streets	<u>44,900</u>	<u>46,006</u>	<u>1,106</u>
Special Articles -			
Public Trust Fund - audit	400	-	(400)
Public Trust Fund - trustee	400	-	(400)
Ethel Woods Fund - sidewalk	-	-	-
Seasonal decorations	5,000	-	(5,000)
Tree Fund	5,000	470	(4,530)
Total Special Articles	<u>10,800</u>	<u>470</u>	<u>(10,330)</u>
Grant Expenses -			
Highway safety	-	293	293
Police	-	951	951
Equipment	-	1,782	1,782
DUI enforcement	-	16,607	16,607
Total Grant Expenses	<u>-</u>	<u>19,633</u>	<u>19,633</u>
Capital Reserve Spending -			
Manager's pick-up	1,200	1,450	250
Computer equipment replacement	500	-	(500)
Total Capital Reserve Spending	<u>1,700</u>	<u>1,450</u>	<u>(250)</u>
Total expenditures	<u>1,286,685</u>	<u>1,258,875</u>	<u>(27,810)</u>
EXCESS OF REVENUES OR (EXPENDITURES)	<u>4,650</u>	<u>14,145</u>	<u>9,495</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	15,000	11,450	(3,550)
Transfers out	(19,650)	(19,650)	-
Total other financing sources (uses)	<u>(4,650)</u>	<u>(8,200)</u>	<u>(3,550)</u>
NET CHANGE IN FUND BALANCE	\$ <u>-</u>	\$ <u>5,945</u>	\$ <u>5,945</u>

VILLAGE OF WOODSTOCK, VERMONT
COMBINING BALANCE SHEET
PERMANENT FUND
JUNE 30, 2020

Schedule 2

	<u>Old Fire</u> Station <u>Fund</u>	<u>Orly</u> Whitcomb <u>Fund</u>	<u>Frank</u> MacKenzie <u>Fund</u>	<u>E. Woods</u> Sidewalk <u>Fund</u>	<u>Endowment</u> <u>Fund</u>	<u>Totals</u>
ASSETS						
Cash and cash equivalents	\$ 30,750	\$ 88,011	\$ 5,235	\$ 59,857	\$ 9,500	\$ 193,353
Investments	-	1,263	-	-	240,546	241,809
Vermont Community Loan Fund Receivable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,643</u>	<u>14,643</u>
Total assets	\$ <u>30,750</u>	\$ <u>89,274</u>	\$ <u>5,235</u>	\$ <u>59,857</u>	\$ <u>264,689</u>	\$ <u>449,805</u>
LIABILITIES AND FUND EQUITY						
LIABILITIES						
Due to other funds	\$ <u>256</u>	\$ <u>320</u>	\$ <u>48</u>	\$ <u>576</u>	\$ <u>-</u>	\$ <u>1,200</u>
FUND EQUITY:						
Fund balances - Restricted	<u>30,494</u>	<u>88,954</u>	<u>5,187</u>	<u>59,281</u>	<u>264,689</u>	<u>448,605</u>
Total fund balances	\$ <u>30,494</u>	\$ <u>88,954</u>	\$ <u>5,187</u>	\$ <u>59,281</u>	\$ <u>264,689</u>	\$ <u>448,605</u>
Total liabilities and fund equity	\$ <u>30,750</u>	\$ <u>89,274</u>	\$ <u>5,235</u>	\$ <u>59,857</u>	\$ <u>264,689</u>	\$ <u>449,805</u>

VILLAGE OF WOODSTOCK, VERMONT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - PERMANENT FUND
FOR THE YEAR ENDED JUNE 30, 2020

Schedule 3

	Old Fire Station <u>Fund</u>	Orly Whitcomb <u>Fund</u>	Frank MacKenzie <u>Fund</u>	E. Woods Sidewalk <u>Fund</u>	Endowment <u>Fund</u>	<u>Totals</u>
REVENUES:						
Investment income	\$ 638	\$ 1,855	\$ 119	\$ 1,238	\$ 27,117	\$ 30,967
Net increase (decrease) in fair value of investments	<u>-</u>	<u>163</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>163</u>
Total revenues	638	2,018	119	1,238	27,117	31,130
EXPENDITURES:						
Miscellaneous	<u>5</u>	<u>14</u>	<u>1</u>	<u>9</u>	<u>-</u>	<u>29</u>
EXCESS OF REVENUES OR (EXPENDITURES)	633	2,004	118	1,229	27,117	31,101
OTHER FINANCING SOURCES (USES):						
Transfers out	<u>-</u>	<u>-</u>	<u>(500)</u>	<u>-</u>	<u>(9,500)</u>	<u>(10,000)</u>
NET CHANGE IN FUND BALANCES	633	2,004	(382)	1,229	17,617	21,101
FUND BALANCES, July 1, 2019	<u>29,861</u>	<u>86,950</u>	<u>5,569</u>	<u>58,052</u>	<u>247,072</u>	<u>427,504</u>
FUND BALANCES, June 30, 2020	\$ <u>30,494</u>	\$ <u>88,954</u>	\$ <u>5,187</u>	\$ <u>59,281</u>	\$ <u>264,689</u>	\$ <u>448,605</u>

**VILLAGE OF WOODSTOCK
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF VILLAGE'S PROPORTIONATE SHARE OF
NET PENSION LIABILITY**

Schedule 4

VMERS

JUNE 30, 2020

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Village's proportion of the net pension liability	0.2913%	0.2388%	0.2405%	0.2728%	0.2612%	0.2735%
Village's proportionate share of the net pension liability	\$ 505,440	\$ 335,900	\$ 291,345	\$ 351,091	\$ 201,353	\$ 24,965
Village's covered payroll	\$ 791,654	\$ 599,689	\$ 597,609	\$ 648,941	\$ 590,066	\$ 554,808
Village's proportionate share of the net pension liability as a percentage of its covered payroll	63.846%	56.012%	48.752%	54.102%	34.124%	4.500%
VMERS net position as a percentage of the total pension liability	80.35%	82.60%	83.64%	80.95%	87.42%	98.32%

SCHEDULE OF VILLAGE'S CONTRIBUTIONS

Schedule 5

VMERS

JUNE 30, 2020

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Contractually required contribution	\$ 50,688	\$ 45,361	\$ 41,674	\$ 44,833	\$ 40,404	\$ 36,274
Contributions in relation to the contractually required contribution	<u>50,688</u>	<u>45,361</u>	<u>41,674</u>	<u>44,833</u>	<u>40,404</u>	<u>36,274</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Village's covered payroll	\$ 791,654	\$ 599,689	\$ 597,609	\$ 648,941	\$ 590,066	\$ 554,808
Contributions as a percentage of covered payroll	6.403%	7.564%	6.973%	6.909%	6.847%	6.538%

**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 Board of Trustees
Village 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 Village of Woodstock, Vermont (the Village) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated April 23, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village'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 Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 Village'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 2020-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village'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*.

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

Montpelier, Vermont
April 23, 2021

Melzyth Jernett 4
Shook-Nixon, P.C.

**VILLAGE OF WOODSTOCK, VERMONT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020**

2020-001 Incomplete year end balances and supporting schedules:

During the audit we noted that Village management did not do a complete year end close. While we observed an asset and depreciation schedule prepared by management we noted incorrect and incomplete information within the schedule and no attempt by management to make a year-end adjustment to update the related balances in the general ledger. An accrued compensated absence schedule as well as an accrued payroll schedule had to be prepared, at the request of management, as management did not provide one that allocated amounts between Village and Town of Woodstock activities which is required for financial reporting. A schedule was also prepared at the request of management to reconcile activity relating to the Vermont Municipal Employees' Retirement System in the Village. While a schedule reconciling transfers between the Capital Reserve Fund and General Fund had been done this activity did not reconcile to the general ledger. Lastly, while we observed a schedule prepared for the Village's Permanent Fund we noted that the Village did not post any activity in this fund for the year. Audit adjustments were proposed to record and correct this activity.

We recommend that management prepare complete year end reconciling schedules and review year end balances in the general ledger to verify that year end information is accurate and complete. We also recommend that a June 30 inventory of assets be performed by Village personnel and that this inventory listing be used by Village management to prepare a complete June 30 asset and depreciation schedule. Lastly, we would recommend that outside contractors, other than the auditor, be utilized to help Village management perform these functions if necessary. Alternatively the Village could benefit from an additional staff member to facilitate in the financial reporting function.

Management's response - The Manager's Office experienced many challenges this year including staffing scheduling due to the pandemic, the hiring of an interim manager and the hiring of a new Village Manager. Management will establish year end reconciling schedules and will review year end balances in the general ledger to verify that year end information is accurate and complete. Management will also direct personnel to perform an inventory of assets to be included in a complete asset and depreciation schedule. The Town of Woodstock has also hired a part-time Accounting Assistant which will provide additional time for the full time Staff Accountant to focus on these recommendations. The Staff Accountant will participate, when available, in government training opportunities.