

TOWN OF WILMINGTON, VERMONT

AUDIT REPORT

JUNE 30, 2023

TOWN OF WILMINGTON, VERMONT
 AUDIT REPORT
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Independent Auditor's Report

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Wilmington, VT 05363

Report on the Audit of the Financial Statements

Qualified and Unmodified Opinions

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 Wilmington, Vermont as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Wilmington, Vermont's basic financial statements as listed in the Table of Contents.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
Business-Type Activities	Unmodified
General Fund	Qualified
Highway Fund	Unmodified
Economic Development Fund	Unmodified
Fire Department Equipment Fund	Unmodified
Sewer Fund	Unmodified
Water Fund	Unmodified
Aggregate Remaining Fund Information	Qualified

Qualified Opinions on the Governmental Activities, the General Fund and Aggregate Remaining Fund Information

In our opinion, except for the effects of the matters described in the Basis for Qualified and Unmodified Opinions section of our report, the financial statements referred to previously present fairly, in all material respects, the financial position of the governmental activities, the General Fund and the Aggregate Remaining Fund Information of the Town of Wilmington, Vermont, as of June 30, 2023, and the changes in financial position thereof for the year then ended in accordance with the modified cash basis of accounting, as described in Note I.D.

Members of The American Institute and Vermont Society of Certified Public Accountants

Unmodified Opinions on the Business-Type Activities, Highway Fund, the Economic Development Fund, the Fire Department Equipment Fund, the Sewer Fund, and the Water Fund

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the Business-Type Activities, the Highway Fund, the Economic Development Fund, the Fire Department Equipment Fund, the Sewer Fund, and the Water Fund of the Town of Wilmington, Vermont, as of June 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with the modified cash basis of accounting, as described in Note I.D.

Basis for Qualified and Unmodified Opinions

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. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Wilmington, Vermont, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified audit opinions.

Matters Giving Rise to the Qualified Opinions on the Governmental Activities, the General Fund and Aggregate Remaining Fund Information

We did not audit the transfer station fees because of inadequacies in the Town’s controls over transfer station fees receipts during the year. We were unable to obtain sufficient appropriate audit evidence about the completeness of the transfer station fees in the accompanying Statement of Activities – Modified Cash Basis and Statement of Cash Receipts, Cash Disbursements and Changes in Modified Cash Basis Fund Balances – General Fund (stated at \$112,833) by other auditing procedures.

In addition, Management has not included the Wilmington Library Fund in the Town of Wilmington, Vermont’s financial statements. The modified cash basis of accounting requires the Wilmington Library Fund to be included in the financial statements of the Town as part of the governmental activities and aggregate remaining fund information. The amount by which this departure would increase the assets, liabilities, net position/fund balance, cash receipts, and cash disbursements of the governmental activities and aggregate remaining fund information has not been determined.

Basis of Accounting

We draw attention to Note I.D. to the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note I; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Wilmington, Vermont's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and "Government Auditing Standards" will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and "Government Auditing Standards", we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 of Wilmington, Vermont's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Wilmington, Vermont's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Wilmington, Vermont's basic financial statements. The budgetary comparison information on Schedule 1 and Schedule 2 and the combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on them.

Other Reporting Required by "Government Auditing Standards"

In accordance with "Government Auditing Standards", we have also issued our report dated April 10, 2024 on our consideration of the Town of Wilmington, Vermont's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the Town of Wilmington, Vermont's 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 of Wilmington, Vermont's internal control over financial reporting and compliance.

Sullivan, Powers & Co.

April 4, 2024
Montpelier, Vermont
VT Lic. #92-000180

TOWN OF WILMINGTON, VERMONT
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2023

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash	\$ 4,865,570	\$ 85,903	\$ 4,951,473
Restricted Cash Equivalents	42,132	0	42,132
Investments	52,381	0	52,381
Internal Balances	<u>(400,636)</u>	<u>400,636</u>	<u>0</u>
Total Assets	<u>4,559,447</u>	<u>486,539</u>	<u>5,045,986</u>
<u>LIABILITIES</u>			
Due to State of Vermont	145	0	145
Due to Others	21,642	0	21,642
Prepaid User Fees	<u>0</u>	<u>4,221</u>	<u>4,221</u>
Total Liabilities	<u>21,787</u>	<u>4,221</u>	<u>26,008</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Prepaid Property Taxes	<u>92,598</u>	<u>0</u>	<u>92,598</u>
Total Deferred Inflows of Resources	<u>92,598</u>	<u>0</u>	<u>92,598</u>
<u>NET POSITION</u>			
Restricted:			
Non-Expendable:			
Other	432	0	432
Expendable:			
Records Restoration	110,508	0	110,508
Eligible ARPA Uses	396,980	0	396,980
Cemetery	139,790	0	139,790
Planning and Acquisitions	318,364	0	318,364
Other	6,622	0	6,622
Unrestricted	<u>3,472,366</u>	<u>482,318</u>	<u>3,954,684</u>
Total Net Position	<u>\$ 4,445,062</u>	<u>\$ 482,318</u>	<u>\$ 4,927,380</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2023

	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Position		
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants/Loans and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs:							
Primary Government:							
Governmental Activities:							
General Government	\$ 1,775,807	\$ 247,437	\$ 84,652	\$ 0	\$ (1,443,718)	\$ 0	\$ (1,443,718)
Public Safety	2,252,190	103,413	22,764	0	(2,126,013)	0	(2,126,013)
Highways and Streets	2,048,116	4,107	201,819	0	(1,842,190)	0	(1,842,190)
Culture and Recreation	207,747	21,688	35,700	0	(150,359)	0	(150,359)
Community Development	279,871	0	0	0	(279,871)	0	(279,871)
Cemetery	59,169	17,955	0	0	(41,214)	0	(41,214)
Solid Waste	235,235	115,645	0	0	(119,590)	0	(119,590)
Debt Service	415,750	0	0	0	(415,750)	0	(415,750)
Total Governmental Activities	<u>7,273,885</u>	<u>510,245</u>	<u>344,935</u>	<u>0</u>	<u>(6,418,705)</u>	<u>0</u>	<u>(6,418,705)</u>
Business-type Activities:							
Sewer	459,983	439,348	0	0	0	(20,635)	(20,635)
Water	261,909	328,659	0	0	0	66,750	66,750
Total Business-type Activities	<u>721,892</u>	<u>768,007</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>46,115</u>	<u>46,115</u>
Total Primary Government	<u>\$ 7,995,777</u>	<u>\$ 1,278,252</u>	<u>\$ 344,935</u>	<u>\$ 0</u>	<u>(6,418,705)</u>	<u>46,115</u>	<u>(6,372,590)</u>
General Receipts and Transfers:							
Property Taxes					4,727,249	0	4,727,249
Penalties and Interest on Delinquent Taxes					119,093	0	119,093
General State Grants					62,514	0	62,514
ARPA Funds					270,812	0	270,812
Local Options Sales Tax					551,840	0	551,840
Unrestricted Investment Earnings					102,830	3,656	106,486
Proceeds from Sale of Land Easement					22,325	0	22,325
Proceeds from Sale of Equipment					1,612	0	1,612
Other Revenues					6,767	6,377	13,144
Transfers					(139,000)	139,000	0
Total General Receipts and Transfers					<u>5,726,042</u>	<u>149,033</u>	<u>5,875,075</u>
Change in Net Position					(692,663)	195,148	(497,515)
Net Position - July 1, 2022, As Restated					<u>5,137,725</u>	<u>287,170</u>	<u>5,424,895</u>
Net Position - June 30, 2023					<u>\$ 4,445,062</u>	<u>\$ 482,318</u>	<u>\$ 4,927,380</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF MODIFIED CASH BASIS ASSETS, LIABILITIES AND FUND BALANCES
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Highway Fund	Economic Development Fund	Fire Department Equipment Fund	Non-Major Governmental Funds	Total
<u>ASSETS</u>						
Cash	\$ 4,678,535	\$ 0	\$ 0	\$ 97,051	\$ 89,984	\$ 4,865,570
Restricted Cash Equivalents	0	0	0	0	42,132	42,132
Investments	0	0	0	0	52,381	52,381
Due from Other Funds	<u>0</u>	<u>250,662</u>	<u>1,457,193</u>	<u>180,955</u>	<u>1,593,580</u>	<u>3,482,390</u>
Total Assets	<u>\$ 4,678,535</u>	<u>\$ 250,662</u>	<u>\$ 1,457,193</u>	<u>\$ 278,006</u>	<u>\$ 1,778,077</u>	<u>\$ 8,442,473</u>
<u>LIABILITIES</u>						
Due to State of Vermont	\$ 145	\$ 0	\$ 0	\$ 0	\$ 0	\$ 145
Due to Others	21,642	0	0	0	0	21,642
Due to Other Funds	<u>3,862,189</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,837</u>	<u>3,883,026</u>
Total Liabilities	<u>3,883,976</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,837</u>	<u>3,904,813</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Prepaid Property Taxes	<u>92,598</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>92,598</u>
Total Deferred Inflows of Resources	<u>92,598</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>92,598</u>
<u>FUND BALANCES</u>						
Nonspendable	0	0	0	0	432	432
Restricted	0	0	0	0	972,264	972,264
Committed	0	136,662	1,457,193	0	564,338	2,158,193
Assigned	483,671	114,000	0	278,006	241,043	1,116,720
Unassigned	<u>218,290</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(20,837)</u>	<u>197,453</u>
Total Fund Balances	<u>701,961</u>	<u>250,662</u>	<u>1,457,193</u>	<u>278,006</u>	<u>1,757,240</u>	<u>4,445,062</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,678,535</u>	<u>\$ 250,662</u>	<u>\$ 1,457,193</u>	<u>\$ 278,006</u>	<u>\$ 1,778,077</u>	<u>\$ 8,442,473</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN MODIFIED CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Highway Fund	Economic Development Fund	Fire Department Equipment Fund	Non-Major Governmental Funds	Total
Cash Receipts:						
Property Taxes	\$ 2,915,999	\$ 1,811,250	\$ 0	\$ 0	\$ 0	\$ 4,727,249
Penalties and Interest on Delinquent Taxes	119,093	0	0	0	0	119,093
Intergovernmental	203,680	190,224	0	0	310,686	704,590
Charges for Services	169,242	0	0	0	35,203	204,445
Permits, Licenses and Fees	249,807	87	0	0	1,180	251,074
Local Options Tax	0	0	551,840	0	0	551,840
Investment Income	48,412	4,632	19,321	6,783	23,682	102,830
Loan Repayments	0	0	0	0	18,294	18,294
Donations	0	0	0	0	1,699	1,699
Other	10,951	4,020	0	0	200	15,171
Total Cash Receipts	<u>3,717,184</u>	<u>2,010,213</u>	<u>571,161</u>	<u>6,783</u>	<u>390,944</u>	<u>6,696,285</u>
Cash Disbursements:						
General Government	1,690,110	0	0	0	85,697	1,775,807
Public Safety	943,160	0	0	500	22,250	965,910
Highways and Streets	28,594	1,376,534	0	0	5,366	1,410,494
Culture and Recreation	207,747	0	0	0	0	207,747
Community Development	0	0	279,871	0	0	279,871
Cemetery	0	0	0	0	59,169	59,169
Solid Waste	223,594	0	0	0	11,641	235,235
Capital Outlay:						
Public Safety	0	0	0	761,650	524,630	1,286,280
Highways and Streets	0	343,835	0	0	293,787	637,622
Debt Service:						
Principal	275,000	0	0	0	34,870	309,870
Interest	100,639	0	0	0	5,241	105,880
Total Cash Disbursements	<u>3,468,844</u>	<u>1,720,369</u>	<u>279,871</u>	<u>762,150</u>	<u>1,042,651</u>	<u>7,273,885</u>
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	<u>248,340</u>	<u>289,844</u>	<u>291,290</u>	<u>(755,367)</u>	<u>(651,707)</u>	<u>(577,600)</u>
Other Financing Sources/(Uses):						
Proceeds from Sale of Land	22,325	0	0	0	0	22,325
Proceeds from Sale of Equipment	0	0	0	1,612	0	1,612
Transfers In	0	0	0	150,000	702,000	852,000
Transfers Out	<u>(522,000)</u>	<u>(280,000)</u>	<u>(50,000)</u>	<u>0</u>	<u>(139,000)</u>	<u>(991,000)</u>
Total Other Financing Sources/(Uses)	<u>(499,675)</u>	<u>(280,000)</u>	<u>(50,000)</u>	<u>151,612</u>	<u>563,000</u>	<u>(115,063)</u>
Net Change in Fund Balances	(251,335)	9,844	241,290	(603,755)	(88,707)	(692,663)
Fund Balances - July 1, 2022, As Restated	<u>953,296</u>	<u>240,818</u>	<u>1,215,903</u>	<u>881,761</u>	<u>1,845,947</u>	<u>5,137,725</u>
Fund Balances - June 30, 2023	<u>\$ 701,961</u>	<u>\$ 250,662</u>	<u>\$ 1,457,193</u>	<u>\$ 278,006</u>	<u>\$ 1,757,240</u>	<u>\$ 4,445,062</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF FUND NET POSITION - MODIFIED CASH BASIS
PROPRIETARY FUNDS
JUNE 30, 2023

	Sewer Fund	Water Fund	Total
<u>ASSETS</u>			
Cash	\$ 85,903	\$ 0	\$ 85,903
Due from Other Funds	<u>181,826</u>	<u>218,810</u>	<u>400,636</u>
Total Assets	<u>\$ 267,729</u>	<u>\$ 218,810</u>	<u>\$ 486,539</u>
<u>LIABILITIES</u>			
Prepaid User Fees	\$ <u>3,490</u>	\$ <u>731</u>	\$ <u>4,221</u>
Total Liabilities	<u>3,490</u>	<u>731</u>	<u>4,221</u>
<u>NET POSITION</u>			
Unrestricted	<u>264,239</u>	<u>218,079</u>	<u>482,318</u>
Total Net Position	<u>264,239</u>	<u>218,079</u>	<u>482,318</u>
Total Liabilities and Net Position	<u>\$ 267,729</u>	<u>\$ 218,810</u>	<u>\$ 486,539</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Sewer Fund	Water Fund	Total
Operating Receipts:			
Charges for Services	\$ 419,207	\$ 327,141	\$ 746,348
Allocation Fees	14,649	0	14,649
Interest and Penalties	5,492	1,518	7,010
Other	338	6,039	6,377
Total Operating Receipts	<u>439,686</u>	<u>334,698</u>	<u>774,384</u>
Operating Disbursements:			
Salaries and Benefits	216,188	124,661	340,849
Administrative Fees	0	6,630	6,630
Contracted Services	0	5,667	5,667
Utilities	41,736	6,974	48,710
Repairs and Maintenance	11,980	0	11,980
Machinery and Equipment	5,493	0	5,493
Dues and Fees	0	2,334	2,334
Testing	7,320	1,205	8,525
Biosolids Management	3,820	0	3,820
Materials and Supplies	10,167	12,890	23,057
Other	558	14,478	15,036
Total Operating Disbursements	<u>297,262</u>	<u>174,839</u>	<u>472,101</u>
Operating Income	<u>142,424</u>	<u>159,859</u>	<u>302,283</u>
Non-Operating Receipts/(Disbursements):			
Investment Income	1,482	2,174	3,656
Debt Service - Principal	(43,200)	(64,254)	(107,454)
Debt Service - Interest	(30,294)	(22,816)	(53,110)
Capital Outlay	(51,622)	(37,605)	(89,227)
Total Non-Operating Receipts/(Disbursements)	<u>(123,634)</u>	<u>(122,501)</u>	<u>(246,135)</u>
Net Income Before Transfers	18,790	37,358	56,148
Transfers In	<u>69,500</u>	<u>69,500</u>	<u>139,000</u>
Change in Net Position	88,290	106,858	195,148
Net Position - July 1, 2022, As Restated	<u>175,949</u>	<u>111,221</u>	<u>287,170</u>
Net Position - June 30, 2023	<u>\$ 264,239</u>	<u>\$ 218,079</u>	<u>\$ 482,318</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
 STATEMENT OF FIDUCIARY MODIFIED CASH BASIS NET POSITION
 FIDUCIARY FUND
 JUNE 30, 2023

	<u>Custodial Fund</u> <u>Education Tax Fund</u>
<u>ASSETS</u>	
Cash	\$ <u>0</u>
Total Assets	<u>0</u>
<u>LIABILITIES</u>	
Due to Other Funds	<u>0</u>
Total Liabilities	<u>0</u>
<u>NET POSITION</u>	
Net Position:	\$ <u><u>0</u></u>

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF CHANGES IN FIDUCIARY MODIFIED CASH BASIS NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Custodial Fund
	Education Tax Fund
<u>ADDITIONS</u>	
Education Taxes Collected for Other Governments	\$ <u>11,675,193</u>
Total Additions	<u>11,675,193</u>
<u>DEDUCTIONS</u>	
Education Taxes Distributed to Other Governments	<u>11,675,193</u>
Total Deductions	<u>11,675,193</u>
Change in Net Position	0
Net Position - July 1, 2022	<u>0</u>
Net Position - June 30, 2023	\$ <u><u>0</u></u>

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

The Town of Wilmington, Vermont (herein the "Town") operates under a Selectboard form of government and provides the following services: highways and streets, solid waste, health and social services, culture and recreation, community/economic development, public improvements, public safety, planning and zoning, water, sewer and general administrative services.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note I.D., these financial statements are presented on the modified cash basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The following is a summary of the more significant accounting policies employed in the preparation of these financial statements.

A. The Financial Reporting Entity

This report should include all of the activity of the Town of Wilmington, Vermont. The financial reporting entity consists of the primary government; organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. The primary government is financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government regardless of whether the organization has a separately elected governing board; a governing board appointed by a higher level of government; or a jointly appointed board. Based on these criteria, the Wilmington Library Fund should be combined with the financial statements of the Town but is not.

B. Basis of Presentation

The accounts of the Town are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, receipts, and disbursements. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled.

The basic financial statements of the Town include both government-wide statements and fund financial statements. The focus of the government-wide statements is on reporting the operating results and financial position of the Town as a whole. The focus of the fund financial statements is on reporting on the operating results and financial position of the most significant funds of the Town.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government, the Town. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of activities between funds. Governmental activities generally are financed through property taxes, intergovernmental receipts, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct disbursements and program receipts for each function of the Town's governmental activities and for each segment of the Town's business-type activities. Direct disbursements are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular program or function. Program receipts include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Receipts that are not classified as program receipts, including all property taxes, are presented as general receipts.

Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues.

Fund Financial Statements: The fund financial statements provide information about the Town's funds, including fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining funds are aggregated and reported as nonmajor funds.

The Town reports on the following major governmental funds:

General Fund – This is the Town's main operating fund. It accounts for all financial resources of the Town except those accounted for in another fund.

Highway Fund – This fund accounts for the receipts, disbursements and available resources for Town roads.

Economic Development Fund - This fund accounts for the receipts, disbursement and available resources for the economic development of the Town.

Fire Department Equipment Fund – This fund accounts for the receipts, disbursements and available resources for Fire Department equipment.

The Town reports on the following major enterprise fund:

Sewer Fund – This fund accounts for the maintenance and operations of the Town sewer system.

Water Fund – This fund accounts for the maintenance and operations of the Town water system.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

Proprietary fund operating receipts, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating receipts, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Additionally, the Town reports the following fund type:

Custodial Fund – This fund is used to report resources held by the Town in a purely custodial capacity for other governments, private organizations or individuals.

C. Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus within the limitations of the modified cash basis of accounting. Equity (i.e., modified cash basis net position) is segregated into restricted and unrestricted net position. Operating statements present increases (i.e., receipts) and decreases (i.e., disbursements) in modified cash basis net position.

Governmental fund financial statements are reported using the current financial resources measurement focus within the limitations of the modified cash basis of accounting. Their reported fund balances (modified cash basis fund balances) are considered a measure of available spendable resources and are segregated into nonspendable; restricted; committed; assigned and unassigned amounts. Operating statements of these funds present increases (i.e., receipts and other financing sources) and decreases (i.e., disbursements and other financing uses) in modified cash basis fund balances.

D. Basis of Accounting

Basis of accounting refers to when revenue and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Town's policy is to prepare its financial statements generally on the basis of cash receipts and disbursements; consequently, certain revenue and related assets are recognized when received rather than when earned and certain expenditures and related liabilities are recognized when paid rather than when the obligation is incurred. The exceptions to this are that the Town records certificates of deposits at cost and other investments at market value as assets and amounts due to the State of Vermont for dog and marriage licenses, amounts due to others for tax sale overpayments, amounts due to the Town Clerk for clerk fees and delinquent property tax penalties collected but not remitted and prepaid water and sewer fees as liabilities and prepaid property taxes as deferred inflows of resources. The recording of investments at market value is not in accordance with the modified cash basis of accounting which requires investments to be carried at cost but the difference is immaterial.

General capital asset acquisitions are reported as expenditures. Proceeds of general long-term debt are reported as other financing sources.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

E. Assets, Liabilities, Deferred Inflows of Resources and Equity

1. Cash

Cash balances of most Town funds are deposited with and invested by the Town Treasurer. The Town considers all short-term investments of ninety (90) days or less to be cash equivalents.

2. Investments

The Town invests in investments as allowed by State Statute. The Town's investments in certificates of deposit are reported at cost and other investments are reported at current market value.

3. Fund Equity

Fund equity is classified based upon any restrictions that have been placed on those balances or any tentative plans management may have made for those balances. Restrictions of net position in government-wide and proprietary and fiduciary fund financial statements represent amounts that cannot be appropriated or are legally restricted for a specific purpose by a grant, contract, or other binding agreement. Fund balances in governmental fund financial statements are classified as nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors, or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the Selectboard's intended use of the resources); and unassigned.

4. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements that are outstanding at the end of the fiscal year are referred to as "advances to/from other funds". All other outstanding balances between funds are reported as "due from/to other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

5. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, "deferred inflows of resources" represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the future periods to which the inflows are related.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Budgets are approved at the annual Town Meeting in March. Any budget changes require voter approval. There were no budget changes during the year. The budget presented herein is for the Town’s “General Fund” only and does not include the Town Trails Reserve Fund, the Animal Control Fund, the Grants Fund, the Public and Fences Fund, the Green MT Beach Timber Fund, the Revenue Sharing Fund and the Health Trust Fund.

B. Budgeted Deficits

The Town elected to budget cash disbursements in excess of cash receipts by \$500,000 in the General Fund in order to utilize a portion of the prior year’s surplus. This is reflected as a current year’s budgeted deficiency of cash receipts over cash disbursements in Schedule 1.

The Town elected to budget cash disbursements in excess of cash receipts by \$135,000 in the Highway Fund in order to utilize a portion of the prior year’s surplus. This is reflected as a current year’s budgeted deficiency of cash receipts over cash disbursements in Schedule 2.

C. Restatement/Reclassification of Fund Balances/Net Position

	Governmental Activities	Business-type Activities	Fiduciary Fund
Net Position - June 30, 2022			
As Originally Reported	\$ 9,978,138	\$ 5,161,392	\$ (29,389)
Correction of Errors:			
Understatement of Prepaid Taxes	(129,238)	0	0
Understatement of Cash	517,349	23,467	0
Understatement of Due from Other Funds	(860)	860	0
Overstatement of Deposits	0	0	(4,362)
Removal of Bond Proceeds Receivable	(515,973)	0	0
Removal of Capital Assets	(11,090,563)	(7,543,236)	0
Removal of Long-term Debt	5,684,536	2,608,917	0
Removal of VMERS Deferred Outflows, Inflows, and Net Pension Liability	763,857	0	0
Reclassification of Fund Types	(69,521)	35,770	33,751
Net Position - June 30, 2022			
As Restated/Reclassified	\$ 5,137,725	\$ 287,170	\$ -

The restatement of the governmental activities was the result of an understatement of cash, due from other funds and prepaid taxes, and the removal of capital assets, long-term debt and the VMERS deferred outflows, inflows and net pension liability. The effect of this restatement on the governmental activities Statement of net position is a decrease to assets, and a decrease to liabilities and a decrease to net position of \$4,842,432. In addition, the Town reclassified the Water Project Fund from the governmental activities to the business-type activities resulting in a \$35,770 decrease in the governmental activities net position. The Town also reclassified the Health Trust Fund from the Custodial Funds to the governmental activities resulting in a \$33,751 decrease in net position.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

The restatement of the business-type activities was the result of an understatement of cash, due from others funds and the removal of capital assets and long-term debt. The effect of this restatement on the business-type activities Statement of net position is a decrease to assets, and a decrease to liabilities and a decrease to net position of \$4,909,992. In addition, the Town reclassified the Water Project Fund from the governmental activities to the business-type activities resulting in a \$35,770 increase in the business-type activities net position.

The restatement of the fiduciary fund was the result of an overstatement of deposits. The effect of this restatement on the fiduciary fund Statement of fiduciary modified cash basis net position is a decrease to assets and a decrease to net position of \$4,362. The Town also reclassified the Health Trust Fund from the fiduciary funds to the governmental activities resulting in an increase in the fiduciary fund net position of \$33,751.

	Governmental Funds					Proprietary Funds		Health Trust Fund
	General Fund	Highway Fund	Economic Development Fund	Fire Department Equipment Fund	Non-Major Governmental Funds	Sewer Fund	Water Fund	
Fund Balances - June 30, 2022 As Originally Reported	\$ 1,153,746	\$ 239,987	\$ 0	\$ 0	\$ 3,426,262	\$ 3,401,438	\$ 1,759,954	\$ (29,389)
Correction of Errors:								
Understatement of Prepaid Taxes	(129,238)	0	0	0	0	0	0	0
Understatement of Cash	0	0	0	0	517,349	23,467	0	0
Overstatement of Due From Other Funds	(1,691)	831	0	0	0	0	860	0
Overstatement of Deposits	0	0	0	0	0	0	0	(4,362)
Removal of Capital Assets	0	0	0	0	0	(4,606,002)	(2,937,234)	0
Removal of Long-term Debt	0	0	0	0	0	1,357,046	1,251,871	0
Reclassification of Fund Types	(69,521)	0	1,215,903	881,761	(2,097,664)	0	35,770	33,751
Fund Balances/Net Position - June 30, 2022 As Restated/Reclassified	\$ 953,296	\$ 240,818	\$ 1,215,903	\$ 881,761	\$ 1,845,947	\$ 175,949	\$ 111,221	\$ -

The restatement of the General Fund was a result of an understatement of prepaid taxes, and an overstatement of due from other funds. The effect of this restatement on the General Fund statement of modified cash basis assets, liabilities, and fund balance was a decrease in fund balance of \$130,929.

The restatement of the Highway Fund was a result of an overstatement of due from other funds. The effect of this restatement on the General Fund statement of modified cash basis assets, liabilities, and fund balance was an increase in fund balance of \$831.

The restatement of the non-major governmental funds was a result of an understatement of cash. The effect of this restatement on the non-major governmental funds statement of modified cash, basis assets, liabilities, and fund balance was an decrease in fund balance of \$517,349.

The restatement of the Sewer Fund was a result of an understatement of cash and the removal of capital assets and long-term debt. The effect of this restatement on the Sewer Fund statement of net position resulting in a decrease in net position of \$3,225,489.

The restatement of the Water Fund was a result of the understatement of due from other funds and the removal of capital assets and long-term debt. The effect of this restatement on the Water Fund statement of net position resulting in a decrease in net position of \$1,684,503.

The restatement of the Health Trust Fund was a result of an overstatement of deposits. The effect of this restatement on the fiduciary fund Statement of fiduciary modified cash basis net position is a decrease to assets and a decrease to net position of \$4,362.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

In addition, The Town reclassified the Water Project Fund from part of the General Fund to combined with the Water Fund, resulting in a decrease in General Fund fund balance on \$35,770 and an increase in Water Fund net position of \$35,770. The Town also reclassified the Health Trust fund from a fiduciary fund to combined with the general fund resulting in a decrease in the General Fund fund balance of \$33,751, and an increase in the Health Trust Fund fund balance of \$33,751.

The Town reclassified the Economic Development Fund and the Fire Department Equipment Fund from non-major governmental funds to major governmental funds, resulting in a decrease in fund balance in the non-major governmental funds of \$2,097,664.

III. DETAILED NOTES ON ALL FUNDS

A. Cash, Cash Equivalents and Investments

Cash, cash equivalents and investments as of June 30, 2023 consisted of the following:

Restricted Cash and Cash Equivalents:

Money Market Mutual Funds – U.S. Government Securities	\$ <u>42,132</u>
Total Restricted Cash and Cash Equivalents	<u>42,132</u>

Unrestricted Cash:

Deposits with Financial Institutions	4,921,430
Deposits held by Investment Company	<u>30,043</u>
Total Unrestricted Cash	<u>4,951,473</u>

Total Cash and Cash Equivalents	<u>4,993,605</u>
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Investments:

Certificates of Deposit	35,310
Mutual Funds – Mixed Holdings	<u>17,071</u>
Total Investments	<u>52,381</u>

Total Cash, Cash Equivalents and Investments	<u>\$5,045,986</u>
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The Town has three (3) certificates of deposit with M&T Bank with amounts ranging from \$2,085 to \$24,755 with interest rates ranging from rate of 0.03% to 3.2% with maturities ranging from July 1, 2023 to August 19, 2024.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of failure of the counter-party (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in possession of another party. The Town does not have any policy to limit the exposure to custodial credit risk. The mutual funds are in the name of the Town and are not exposed to custodial credit risk. The following table shows the custodial credit risk of the Town's cash and certificates of deposit.

	<u>Book Balance</u>	<u>Bank Balance</u>
FDIC Insured	\$ 502,287	\$ 502,287
Uninsured, Collateralized by U.S. Government Agencies Securities Held by the Pledging Financial Institution's Agent	<u>4,484,496</u>	<u>4,644,670</u>
Total	<u>\$4,986,783</u>	<u>\$5,146,957</u>

The difference between the book and the bank balance is due to reconciling items such as deposits in transit and outstanding checks.

The book balance is comprised of the following:

Cash – Deposits with Financial Institutions	\$4,921,430
Cash – Deposits held by Investment Company	30,043
Investments – Certificate of Deposit	<u>35,310</u>
Total	<u>\$4,986,783</u>

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Town does not have any policy to limit the exposure to interest rate risk. The Town's certificate of deposit is not subject to interest rate risk disclosure. The Town's money market mutual funds and mutual funds are open-ended and, therefore, are also excluded from interest rate risk disclosure.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Town does not have any policy to limit the exposure to credit risk. The Town's certificate of deposit is not subject to credit risk. The Town's money market mutual funds and mutual funds are open-ended and, therefore, are also excluded from the credit risk analysis.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

Concentration of Credit Risk

Concentration of credit risk is the risk that a large percentage of the Town’s investments are held within one security. The Town does not have any limitations on the amount that can be invested in any one issuer.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by Governmental Accounting Standards Board (GASB) Statement No. 72, “Fair Value Measurement and Application.” The hierarchy is based on the valuation inputs used to measure fair value of the asset and gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The Town’s certificate of deposit is not subject to fair value disclosures.

Level 1 – Unadjusted quoted prices for identical instruments in active markets

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

The Town has the following fair value measurements as of June 30, 2023:

<u>Description</u>	<u>Total</u>	<u>Fair Value Measurements Using:</u>		
		<u>Quoted prices in active markets for identical assets (Level 1)</u>	<u>Significant observable inputs (Level 2)</u>	<u>Significant unobservable inputs (Level 3)</u>
Mutual Funds - Mixed Holdings	\$ 17,071	\$ 17,071	\$ 0	\$ 0
Total	\$ 17,071	\$ 17,071	\$ 0	\$ 0

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

B. Interfund Balances and Activity

Interfund balances as of June 30, 2023 are as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 0	\$3,862,189
Highway Fund	250,662	0
Economic Development Fund	1,457,193	0
Fire Department Equipment Fund	180,955	0
Non-Major Governmental Funds	1,593,580	20,837
Sewer Fund	181,826	0
Water Fund	<u>218,810</u>	<u>0</u>
Totals	<u>\$3,883,026</u>	<u>\$3,883,026</u>

Interfund transfers during the year ended June 30, 2023 were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Cemetery Fund	\$ 42,000	Appropriation
General Fund	Public Lands & Fences	10,000*	Appropriation
General Fund	Police Equipment Fund	20,000	Appropriation
General Fund	Town Hall Capital Fund	20,000	Appropriation
General Fund	Memorial Hall Capital Fund	20,000	Appropriation
General Fund	Fire Department Equipment Fund	150,000	Appropriation
General Fund	Transfer Station Capital Fund	5,000	Appropriation
General Fund	Old Fire House Capital Fund	5,000	Appropriation
General Fund	Planning and Acquisitions Fund	260,000	Appropriation
Economic Development Fund	Veteran's Memorial Park Fund	50,000	Appropriation
Highway Fund	Town Road Equipment Fund	175,000	Appropriation
Highway Fund	Bridge Rehabilitation Fund	100,000	Appropriation
Highway Fund	Garage Capital Fund	5,000	Appropriation
ARPA Fund	Sewer Fund	69,500	Fund Capital
ARPA Fund	Water Fund	<u>69,500</u>	Fund Capital
Total		<u>\$1,001,000</u>	

* The transfer from the General Fund to the Public Lands and Fences Fund is netted in the General Fund as this fund is consolidated within the General Fund to comply with GASB statement No. 54.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

C. Deferred Inflows of Resources

Deferred inflows of resources in the governmental activities and General Fund consist of \$92,598 of property taxes paid in advance.

D. Fund Balances

GASB Statement No. 34, as amended by GASB Statement No. 54, requires fund balances reported on the governmental fund balance sheet to be classified using a hierarchy based primarily on the extent to which a government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balances are to be classified as: nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the Selectboard's intended use of the resources); and unassigned.

Special revenue funds are created only to report a revenue source (or sources) that is restricted or committed to a specified purpose, and that the revenue source should constitute a substantial portion of the resources reported in that fund. Special revenue funds cannot be used to accumulate funds that are not restricted or committed. These amounts will have to be reflected in the General Fund.

Amounts constrained to stabilization (rainy-day funds) will be reported as restricted or committed fund balance in the General Fund if they meet the other criteria for those classifications. However, stabilization is regarded as a specified purpose only if the circumstances or conditions that signal the need for stabilization (a) are identified in sufficient detail and (b) are not expected to occur routinely. The Town does not have any stabilization arrangements.

Some governments create stabilization-like arrangements by establishing formal minimum fund balance policies. The Town does not have any minimum fund balance policies.

When expenditures are incurred for purposes for which both restricted and unrestricted amounts are available, it is the Town's policy to first consider restricted amounts to have been spent, followed by committed, assigned, and finally unassigned amounts.

The purpose for each major special revenue fund, including which specific revenues and other resources are authorized to be reported in each, are described in the following section.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

The fund balances in the following funds are nonspendable as follows:

Non-Major Fund

Special Revenue Fund:

Nonspendable Davenport Legacy	<u>\$432</u>
Total Nonspendable Fund Balances	<u>\$432</u>

The fund balances in the following funds are restricted as follows:

Non-Major Funds

Special Revenue Funds:

Restricted for Restoration Expenses by Statute (Source of Revenue is Restoration Fees)	\$110,508
Restricted for Eligible Uses of the Coronavirus Local Fiscal Recovery Funding by Grant Agreement (Source of Revenue is Grant Revenue)	396,980
Restricted for Cemetery Expenses by Agreement (Source of Revenue is Lot Sales)	139,790
Restricted for Beautification Expenses by Donations (Source of Revenue Is Donations)	3,798
Restricted for Law Enforcement Trust Expenses by Donations (Source of Revenue is Donations)	<u>1,699</u>
Total Special Revenue Funds	<u>652,775</u>

Capital Project Funds:

Restricted for Planning and Acquisitions Fund Expenses By Bond Proceeds (Source of Revenue is Bond Proceeds)	318,364
Restricted for Energy Efficient Expenses by Grant Agreement (Source of Revenue is Grant Revenue)	<u>1,125</u>

Total Capital Project Funds 319,489

Total Non-Major Funds 972,264

Total Restricted Fund Balances \$972,264

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

The fund balances in the following funds are committed as follows:

Major Funds

Highway Fund:

Committed for Highway Fund Expenditures by the Voters \$ 136,662

Economic Development Fund:

Committed for Economic Development by the Voters 1,457,193

Total Major Funds 1,593,855

Non-Major Funds

Special Revenue Funds:

Committed for Law Enforcement Trust Expenses by the Voters 1,269

Committed for Economic Development by the Voters 212

Total Special Revenue Funds 1,481

Capital Projects Funds:

Committed for Memorial Hall Capital Expenditures by the Voters 88,906

Committed for Town Hall Capital Expenditures by the Voters 69,986

Committed for Veteran's Memorial Park Expenditures by the Voters 50,000

Committed for Town Road Equipment Expenditures by the Voters 322,483

Committed for Garage Capital Expenditures by the Voters 5,070

Committed for Old Fire House Capital Expenditures by the Voters 2,894

Committed for Transfer Station Capital Expenditures by the Voters 23,518

Total Capital Projects Funds 562,857

Total Non-Major Funds 564,338

Total Committed Fund Balances \$2,158,193

The fund balances in the following funds are assigned as follows:

Major Funds

General Fund:

Assigned to Reduce Property Taxes in Fiscal Year 2024 \$428,000

Assigned for Town Trails Expenses 208

Assigned for Animal Control Expenses 21,505

Assigned for Green Mountain Beach Expenses 3,654

Assigned for Public Lands and Fences Expenses 29,304

Assigned for Revenue Sharing Expenses 1,000

Total General Fund 483,671

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

Highway Fund:		
Assigned to Reduce Property Taxes in Fiscal Year 2024		\$ <u>114,000</u>
Fire Department Equipment Fund:		
Assigned for Fire Department Equipment Expenses		<u>278,006</u>
Total Major Funds		<u>875,677</u>
 <u>Non-Major Funds</u>		
Special Revenue Funds:		
Assigned for Revolving Loan Fund Expenses		64,314
Assigned for Town Gathering Place Expenses		965
Assigned for Reappraisal Expenses		110,054
Assigned for Police Equipment Expenses		57,890
Assigned for Police Conflict Expenses		<u>7</u>
Total Special Revenue Funds		<u>233,230</u>
Capital Projects Funds:		
Assigned for Dry Hydrant Grant Expenses		6,785
Assigned for School Field Expenses		<u>1,028</u>
Total Capital Projects Funds		<u>7,813</u>
Total Non-Major Funds		<u>241,043</u>
Total Assigned Fund Balances		<u>\$1,116,720</u>

E. Restricted Net Position

The restricted net position in the governmental activities consists of the nonspendable fund balances of \$432 and the restricted fund balances of \$972,264 for a total of \$972,696.

The unrestricted deficit in the Bridge Rehabilitation Fund of \$20,837 will be funded with a transfer in from the General Fund.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

IV. OTHER INFORMATION

A. Pension Plans

Defined Benefit Plan

Plan Description

The Vermont Municipal Employees' Retirement System (VMERS) is a cost-sharing, multiple-employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees. It is designed for municipal and school district employees that work on a regular basis and also includes employees of museums and libraries if at least half of that institution's operating expenses are met by municipal funds. An employee of any employer that becomes affiliated with the system may join at that time or at any time thereafter. Any employee hired subsequent to the effective participation date of their employer who meets the minimum hourly requirements is required to join the system. As of June 30, 2022, the measurement date selected by the State of Vermont, the retirement system consisted of 359 participating employers.

The plan was established effective July 1, 1975, and is governed by Title 24, V.S.A. Chapter 125.

The general administration and responsibility for formulating administrative policy and procedures of the retirement system for its members and their beneficiaries is vested in the Board of Trustees consisting of five members. They are the State Treasurer, two employee representatives elected by the membership of the system, and two employer representatives-one elected by the governing bodies of participating employers of the system, and one selected by the Governor from a list of four nominees. The list of four nominees is jointly submitted by the Vermont League of Cities and Towns and the Vermont School Boards Association.

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of creditable service.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

As of June 30, 2022, the measurement date selected by the State of Vermont, VMERS was funded at 73.60% and had a plan fiduciary net position of \$845,979,471 and a total pension liability of \$1,149,351,427 resulting in a net position liability of \$303,371,956. As of June 30, 2023, the Town's proportionate share of this was 0.5011% resulting in a net pension liability of \$1,519,760. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating municipalities, actuarially determined. The Town's proportion of 0.5011% was an increase of 0.005 from its proportion measured as of the prior year.

TOWN OF WILMINGTON, VERMONT
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JUNE 30, 2023

Summary of System Provisions

Membership – Full time employees of participating municipalities. Municipalities can elect coverage under Groups A, B, C or D provisions. The Town elected coverage under Groups B and D.

Creditable Service – Service as a member plus purchased service.

Average Final Compensation (AFC) – Group A – Average annual compensation during highest five (5) consecutive years. Groups B and C – Average annual compensation during highest three (3) consecutive years. Group D – Average annual compensation during highest two (2) consecutive years.

Service Retirement Allowance:

Eligibility – Group A – The earlier of age 65 with five (5) years of service or age 55 with thirty-five (35) years of service. Group B – The earlier of age 62 with five (5) years of service or age 55 with thirty (30) years of service. Groups C and D – Age 55 with five (5) years of service.

Amount – Group A – 1.4% of AFC times service. Group B – 1.7% of AFC times service as a Group B member plus percentage earned as a Group A member times AFC. Group C – 2.5% of AFC times service as a Group C member plus percentage earned as a Group A or B member times AFC. Group D – 2.5% of AFC times service as a Group D member plus percentage earned as a Group A, B or C member times AFC.

Maximum benefit is 60% of AFC for Groups A and B and 50% of AFC for Groups C and D. The previous amounts include the portion of the allowance provided by member contributions.

Early Retirement Allowance:

Eligibility – Age 55 with five (5) years of service for Groups A and B. Age 50 with twenty (20) years of service for Group D.

Amount – Normal retirement allowance based on service and AFC at early retirement, reduced by 6% for each year commencement precedes Normal Retirement Age for Groups A and B members, and payable without reduction to Group D members.

Vested Retirement Allowance:

Eligibility – Five (5) years of service.

Amount – Allowance beginning at Normal Retirement Age based on AFC and service at termination. The AFC is to be adjusted annually by one-half of the percentage change in the Consumer Price Index, subject to the limits on “Post-Retirement Adjustments”.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

Disability Retirement Allowance:

Eligibility – Five (5) years of service and disability as determined by Retirement Board.

Amount – Immediate allowance based on AFC and service to date of disability; children’s benefit of 10% of AFC payable to up to three minor children (or children up to age 23 if enrolled in full-time studies) of a disabled Group D member.

Death Benefit:

Eligibility – Death after five (5) years of service.

Amount – For Groups A, B and C, reduced early retirement allowance under 100% survivor option commencing immediately or, if greater, survivor(s) benefit under disability allowance computed as of date of death. For Group D, 70% of the unreduced accrued benefit plus children’s benefit.

Post-Retirement Adjustments – Allowance in payment for at least one year increased on each January 1 by one-half of the percentage increase in Consumer Price Index but not more than 2% for Group A and 3% for Groups B, C and D.

Optional Benefit and Death after Retirement – For Groups A, B and C, lifetime allowance or actuarially equivalent 50% or 100% joint and survivor allowance with refund of contribution guarantee. For Group D, lifetime allowance or 70% contingent annuitant option with no reduction.

Refund of Contributions – Upon termination, if the member so elects or if no other benefit is payable, the member’s accumulated contributions with interest are refunded.

Member Contribution Rates – Group A – 3.25%. Group B – 5.625%. Group C – 10.75%. Group D – 12.10%.

Employer Contribution Rates – Group A – 4.75%. Group B – 6.25%. Group C – 8.00%. Group D – 10.60%.

Retirement Stipend – \$25 per month payable at the option of the Board of Trustees.

Significant Actuarial Assumptions and Methods

Investment Rate of Return: 7.00%, net of pension plan investment expenses, including inflation.

Inflation: 2.30% per year.

Salary increases: Varying service-based rates from 0-10 years of service, then a single rate of 4.50% (includes assumed inflation rate of 2.30%) for all subsequent years.

Cost-of-Living Adjustments: 1.10% for Group A members and 1.20% for Groups B, C and D members. The January 1, 2022 COLA was 2.00% for Group A members and 2.30% for Groups B, C and D members. The January 1, 2023 COLA was 2.00% for Group A members and 3.00% for Groups B, C and D members.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

Mortality:

Pre-Retirement: Groups A, B and C – 40% PubG-2010 General Employee Amount-Weighted below-median and 60% of PubG-2010 General Employee Amount-Weighted, with generational projection using scale MP-2019. Group D – PubG-2010 General Employee Amount-Weighted above-median, with generational projection using scale MP-2019.

Healthy Post-Retirement – Retirees: Groups A, B and C – 104% of 40% PubG-2010 General Healthy Retiree Amount-Weighted below-median and 60% of PubG-2010 General Healthy Retiree Amount-Weighted, with generational projection using scale MP-2019. Group D – PubG-2010 General Healthy Retiree Amount-Weighted, with generational projection using scale MP-2019.

Healthy Post-Retirement – Beneficiaries: Groups A, B and C – 70% Pub-2010 Contingent Survivor Amount-Weighted below-median and 30% of Pub-2010 Contingent Survivor Amount-Weighted, with generational projection using scale MP-2019. Group D – Pub-2010 Contingent Survivor Amount-Weighted, with generational projection using scale MP-2019.

Disabled Post-Retirement: All Groups – PubNS-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table with generational projection using scale MP-2019.

Spouse’s Age: Females three years younger than males.

Actuarial Cost Method: Entry Age Actuarial Cost Method. Entry age is the age at date of employment or, if date is unknown, current age minus years of service. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by salary, with Normal Cost determined using the plan of benefits applicable to each participant.

Assets: The valuation is based on the market value of assets as of the valuation date, as provided by the System. The System uses an “actuarial value of assets” that differs from market value to gradually reflect year-to-year changes in the market value of assets in determine the contribution requirements.

Long-term Expected Rate of Return:

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of June 30, 2022 are summarized in the following table:

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Passive Global Equities	24%	4.30%
Active Global Equities	5%	4.30%
Large Cap US Equities	4%	3.25%
Small/Mid Cap US Equities	3%	3.75%
Non-US Developed Market Equities	7%	5.00%
Private Equity	10%	6.50%
Emerging Market Debt	4%	3.50%
Private & Alternate Credit	10%	4.75%
Non-Core Real Estate	4%	6.00%
Core Fixed Income	19%	0.00%
Core Real Estate	3%	3.50%
US TIPS	3%	(0.50)%
Infrastructure/Farmland	4%	4.25%

Discount Rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed plan member and employer contributions will be made at rates set by the Board (employers) and statute (members). The Board voted to authorize employer contribution rate increases of 0.50% each year for a period of four years beginning July 1, 2022. In 2022, the Legislature passed H.740, which effectively split the Board-authorized increases evenly between members and employers by including an increase in the employee rate of 0.25% for each group for four years, beginning July 1, 2022. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plans' Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the proportionate share would be if it were calculated using a discount rate that is one percent lower (6.00%) or one percent higher (8.00%):

<u>1% Decrease (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
\$2,277,294	\$1,519,760	\$896,657

Additional Information

Additional information regarding the State of Vermont Municipal Employees' Retirement System, including the details of the Fiduciary Net Position, is available upon request from the State of Vermont.

TOWN OF WILMINGTON, VERMONT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2023

B. Property Taxes

The Town is responsible for assessing and collecting its own property taxes as well as education taxes for the State of Vermont. The tax rate is set by the Selectboard based on the voter approved budget, the estimated grand list and the State education property tax liability. Property taxes are due in two installments on August 26th and February 24th. The penalty rate is eight percent (8%) after the February 24th payment. Interest is charged at one percent (1%) per month for the first three months and one and a half percent (1-1/2%) per month for each month thereafter. The tax rates for 2023 were as follows:

	<u>Homestead</u>	<u>Non-Homestead</u>
Town	.6174	.6174
Voted Exemptions	.0014	.0014
Education	<u>1.6460</u>	<u>1.6080</u>
Total	<u>2.2648</u>	<u>2.2268</u>

C. 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 natural disasters. The Town maintains insurance coverage through the Vermont League of Cities and Towns Property and Casualty Intermunicipal Fund, Inc. covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town. Settled claims have not exceeded this coverage in any of the past three fiscal years. The Town must remain a member for a minimum of one year and may withdraw from the Fund after that time by giving sixty days notice. Fund underwriting and ratesetting policies have been established after consultation with actuaries. Fund members are subject to a supplemental assessment in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund’s liabilities.

The Town self-insures itself for unemployment coverage. The Town must pay the Vermont Department of Employment and Training for any paid claims. Unemployment claims for the year ended June 30, 2023 were \$-0-.

D. Contingent Liabilities

The Town participates in a number of federally assisted and state grant programs that are subject to audits by the grantors or their representatives. Accordingly, compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

There is currently a pending claim against the Town where the Town’s insurance carrier is providing defense with a reservation of rights. The Town is not able to presently determine the ultimate resolution of this matter.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

E. Long-term Debt

The Town issues general obligation bonds to provide resources for the acquisition and construction of major capital facilities and to refund prior issues. General obligation bonds are direct obligations of the Town and pledge the full faith and credit of the Town. New bonds generally are issued as 10 to 20 year bonds.

The State of Vermont offers a number of no-interest revolving loan programs to utilize for predetermined purposes. The Town has borrowed money from the Vermont Special Environmental Revolving Fund for water and sewer projects.

Long-term debt outstanding as of June 30, 2023 was as follows:

Governmental Activities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, Vermont Municipal Bond Bank, Public Facilities Building Interest Ranging from 0.6% to 2.61%, With Semi-Annual Principal Payments of \$275,000, Due November 2041	\$5,500,000	\$ 0	\$275,000	\$5,225,000
KS State Bank, Equipment Financing Contract, Secured by Volvo Wheeled Excavator, Interest at 2.8%, Annual Principal and Interest Payments of \$40,110 Due September 8, Due September 8, 2026	<u>184,536</u>	<u>0</u>	<u>34,870</u>	<u>149,666</u>
Total Governmental Activities	<u>\$5,684,536</u>	<u>\$ 0</u>	<u>\$309,870</u>	<u>\$5,374,666</u>

Business-type Activities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Water Fund:				
Bond Payable, State of Vermont Special Environmental Revolving Fund, Water Construction Loan, Negative 3% Interest, Annual Net Principal and Negative Interest Payments of \$24,120, Due November 1, 2048	\$651,249	\$ 0	\$24,120	\$627,129
Bond Payable, Vermont Municipal Bond Bank, Water System Improvements, Interest at 3.93%, With Principal Payments Ranging From \$40,134 to \$61,328 Payable Annually, Due November 15, 2033	600,622	0	40,134	560,488

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

	<u>Beginning Balance</u>	<u>Ending Additions</u>	<u>Deletions</u>	<u>Balance</u>
Bond Payable, State of Vermont Special Environmental Revolving Fund, Water Line Expansion Feasibility Study, Interest at 0.00%, Annual Principal Payments of \$1,900, Beginning November 1, 2024, Due November 1, 2028	\$ <u>9,500</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>9,500</u>
Total Water Fund	<u>1,261,371</u>	<u>0</u>	<u>64,254</u>	<u>1,197,117</u>
Sewer Fund:				
Bond Payable, State of Vermont Special Environmental Revolving Fund, Sewer Collection System Expansion Feasibility Study, Interest at 0.00%, Annual Principal Payments of \$1,340, Beginning July 1, 2024, With Forgiveness of \$6,700 to be Recognized July 1, 2024, Due July, 2028	13,400	0	0	13,400
Bond Payable, USDA Rural Development, Sewer System Improvements, Principal and Interest Payments of \$73,494 Payable Semi-Annually, Interest at 2.25%, Due June, 2046	<u>1,357,046</u>	<u>0</u>	<u>43,200</u>	<u>1,313,846</u>
Total Sewer Fund	<u>1,370,446</u>	<u>0</u>	<u>43,200</u>	<u>1,327,246</u>
Total Business-Type Activities	<u>\$2,631,817</u>	<u>\$ 0</u>	<u>\$107,454</u>	<u>\$2,524,363</u>

Maturities are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 310,860	\$ 103,185	\$ 111,348	\$ 50,524
2025	311,878	100,296	115,887	47,853
2026	312,926	97,104	118,613	45,094
2027	314,002	93,579	121,429	42,244
2028	275,000	89,667	124,338	39,298
2029-2033	1,375,000	388,692	654,527	148,759
2034-2038	1,375,000	231,078	470,991	79,613
2039-2043	1,100,000	57,296	443,879	44,193
2044-2048	0	0	332,531	8,425
2049-2053	0	0	24,120	0
Debt Forgiveness	<u>0</u>	<u>0</u>	<u>6,700</u>	<u>0</u>
Total	<u>\$ 5,374,666</u>	<u>\$ 1,160,897</u>	<u>\$ 2,524,363</u>	<u>\$ 506,003</u>

F. Subsequent Events

On July 14, 2023, the Town entered into a loan agreement in the amount of \$14,355 with the Vermont State Revolving Fund for completing a service line inventory.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budget	Actual	Variance Favorable/ (Unfavorable)
Cash Receipts:			
Tax Collections	\$ 2,948,013	\$ 2,915,999	\$ (32,014)
Interest on Delinquent Taxes	60,000	43,047	(16,953)
Penalties on Delinquent Taxes	70,000	76,046	6,046
Miscellaneous Grant	0	56,213	56,213
Glebe Land	27,000	30,877	3,877
Licenses	3,800	3,620	(180)
Zoning Fees	12,000	26,979	14,979
Permit Recording Fee	250	417	167
Land Sale/Redemptions	2,000	22,325	20,325
Miscellaneous Administrative	0	55	55
Miscellaneous Income	3,750	4,687	937
Acy 60 Grand List Administrative	3,156	3,150	(6)
PILOT Payment	13,000	16,228	3,228
State Education Fund	30,000	26,329	(3,671)
Reappraisal - State/Parcel Payment	26,792	26,775	(17)
Land Use	45,000	46,286	1,286
Admin WWTP	5,040	5,039	(1)
Admin Water	5,040	5,039	(1)
Town Clerk Fees	40,000	53,892	13,892
Police Department:			
Fees and Fines	50,000	45,466	(4,534)
Miscellaneous	500	5,553	5,053
Outside Employment	7,500	19,554	12,054
Alarm Registration Fees	4,000	3,450	(550)
DUI Enforcement Grant	2,000	5,975	3,975
Governor's Highway Safety Grant	5,000	8,434	3,434
GHSP Equipment Grant	5,000	1,355	(3,645)
Fire Department:			
Town of Searsburg	27,875	27,875	0
Miscellaneous Fire Department	0	530	530
OFH Rent	0	5,900	5,900
Library Repayment	0	3,394	3,394
Transfer Station Fees	100,000	112,833	12,833
MHS Fees	600	0	(600)
Memorial Hall Rent	1,000	1,900	900
Investment Income	5,000	48,042	43,042
	<u>3,503,316</u>	<u>3,653,264</u>	<u>149,948</u>
Total Cash Receipts			
Cash Disbursements:			
Town Officers:			
Moderator, Election Officials, Ballots	1,800	120	1,680
Selectboard	6,300	6,200	100
BCA Stipend/Expense	1,200	0	1,200
	<u>9,300</u>	<u>6,320</u>	<u>2,980</u>
Total Town Officers			
Town Clerk:			
Salary	55,364	57,809	(2,445)
Assistant	38,644	39,053	(409)
Supplies and Postage	3,000	1,957	1,043
Training	3,000	1,501	1,499
Temporary Help	15,000	15,274	(274)
Taping Town Meeting	600	600	0
Recording Supplies	2,200	1,808	392
Copier/Computer/Office Furniture	3,000	2,138	862

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budget	Actual	Variance Favorable/ (Unfavorable)
Town Clerk/(Cont.):			
Election Supplies/Postage	\$ 2,981	\$ 903	\$ 2,078
Animal Rabies Control Supplies	400	274	126
Vote Tabulator	2,000	747	1,253
Total Town Clerk	126,189	122,064	4,125
Treasurer - Finance Officer:	71,495	71,495	0
Listers:			
Assistant Salary	59,984	64,723	(4,739)
Assessor	35,000	0	35,000
Appraisal Temp	2,000	108	1,892
Lister's Salary/Expense	10,000	10,721	(721)
Mapping	5,000	2,808	2,192
Grievance Costs	15,000	5,179	9,821
Yearly Grand List Maintenance	5,000	4,575	425
Appraisal Supplies/Computer	6,050	3,216	2,834
Total Listers	138,034	91,330	46,704
Town Manager:			
Salaries	107,269	109,769	(2,500)
Town Manager Expenses	3,344	2,665	679
Postage and Supplies	5,000	8,617	(3,617)
Mileage	2,000	167	1,833
Total Town Manager	117,613	121,218	(3,605)
Administration			
Administrative Secretary	44,673	46,380	(1,707)
Zoning Administrator	53,258	53,403	(145)
Receptionist	7,825	5,163	2,662
Reconciliation Analyst	450	442	8
Ads Non-Zoning	600	1,295	(695)
Computer Support/Equipment	8,640	12,865	(4,225)
Telephone	9,000	8,941	59
Tax Bills	4,500	2,813	1,687
Training	2,500	812	1,688
Copier	2,500	3,020	(520)
Cemetery Expenses	42,000	42,000	0
Zoning Training/Expense	1,400	1,256	144
Zoning Advertising	500	939	(439)
Zoning Postage	250	198	52
Bylaw Modernization Grant	0	27,791	(27,791)
Total Administration	178,096	207,318	(29,222)
Police Department:			
Chief's Salary	84,526	84,091	435
Sworn Payroll	328,495	295,485	33,010
Part-time Payroll	28,514	7,426	21,088
Dispatcher	82,304	85,227	(2,923)
Overtime	20,000	38,593	(18,593)
Outside Employment	14,500	18,243	(3,743)
Cruiser Operation	28,500	30,356	(1,856)
Uniform Purchase	2,000	2,816	(816)
Uniform Maintenance	2,000	687	1,313
Firearm Ammunition	950	1,018	(68)

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budget	Actual	Variance Favorable/ (Unfavorable)
Police Department/(cont.):			
Radar	\$ 575	\$ 894	\$ (319)
Telephone	6,000	13,175	(7,175)
Postage	600	755	(155)
Office Supplies	1,500	1,961	(461)
Office Equipment	250	536	(286)
Equipment Maintenance	1,500	21	1,479
Computer Hardware and Software	4,000	1,404	2,596
Statewide Record Database	9,350	7,545	1,805
Copier	1,500	1,460	40
Inservice Training	4,500	5,224	(724)
Training Aids and Materials	2,650	861	1,789
Community Awareness	400	539	(139)
Radio Maintenance	2,750	1,018	1,732
Equipment Replacement	5,000	5,520	(520)
Association Fees	700	475	225
Chief's Expense	500	558	(58)
Police Department Safety Compliance	150	792	(642)
Investment Costs	8,000	15,816	(7,816)
Brattleboro Lockup	1,500	0	1,500
PD Alarm	300	0	300
Towing	200	0	200
GHS Equipment Grant	5,000	5,247	(247)
Vest Grants	1,000	970	30
Applicant Advertising	200	177	23
Total Police Department	649,914	628,890	21,024
Fire Department:			
Chief's Salary	71,512	71,512	0
Assistant Chief's Salary	2,596	2,596	0
Labor	35,640	34,747	893
Officer's Salary	3,198	2,452	746
Emergency Op Center Personnel	750	0	750
Emergency Op Center Setup	500	0	500
Telephone	3,400	5,818	(2,418)
Fire Fighter's Association	700	512	188
Administration	2,600	5,410	(2,810)
Training	3,500	3,902	(402)
Radio Maintenance	2,500	2,171	329
Code Compliance	250	259	(9)
Air Packs	2,500	1,564	936
Fire Alarm	250	0	250
Truck Maintenance	6,300	5,122	1,178
Gas and Oil	2,750	4,188	(1,438)
Building Maintenance	0	103	(103)
Extinguisher Recharge	275	59	216
Equipment (Net & Replacement)	4,000	3,956	44
Helmet/Boot/Coat	5,000	4,294	706
Hose	4,100	3,309	791
Foam	700	0	700
Fire Prevention Education	750	0	750
Travel Expense	2,000	904	1,096
Fire Chief Uniform	250	238	12
Dispatch Assessment Wilmington	47,000	48,947	(1,947)
Dispatch Assessment Searsburg	6,500	6,485	15
Total Fire Department	209,521	208,548	973

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budget	Actual	Variance Favorable/ (Unfavorable)
Public Safety Facility:			
Electric	\$ 11,200	\$ 23,402	\$ (12,202)
Heat	16,000	16,000	0
Fire Alarm	1,000	0	1,000
Water	1,430	1,475	(45)
Sewer	1,196	972	224
Building Maint	36,220	37,727	(1,507)
Total Public Safety Facility	<u>67,046</u>	<u>79,576</u>	<u>(12,530)</u>
Old Firehouse:			
Electric	2,000	1,320	680
Water Rent	1,300	936	364
Sewer Rent	600	608	(8)
Fire Alarm/Internet	250	1,650	(1,400)
Building Maint	3,500	9,488	(5,988)
Heating Oil	3,500	4,050	(550)
Janitorial	1,000	3,215	(2,215)
Total Old Firehouse	<u>12,150</u>	<u>21,267</u>	<u>(9,117)</u>
Insurance:			
Employment Practices	9,000	6,373	2,627
Liability/Property/Auto	50,000	45,469	4,531
Public Officials Liability	2,500	1,633	867
Firemen's Disability	1,300	2,630	(1,330)
Worker's Compensation	50,000	29,709	20,291
Total Insurance	<u>112,800</u>	<u>85,814</u>	<u>26,986</u>
Health and Social Services			
Health Officer	1,788	1,514	274
Senior Solutions	350	350	0
Vermont Bar Foundation	600	600	0
Groundworks Collaborative	1,500	1,500	0
Health Care and Rehabilitation	155	155	0
Windham County Youth Service	300	300	0
Women's Crisis Center	850	850	0
Visiting Nurse Alliance	6,000	6,000	0
SEVCA	2,000	2,000	0
Deerfield Valley Community Care	2,000	2,000	0
Windham County Humane Society	750	750	0
Wings	10,000	10,000	0
DV Food Pantry	1,500	1,500	0
DV Community Partnership	2,500	2,500	0
Senior Meals	2,000	2,000	0
SASH	10,000	10,000	0
WDART	250	250	0
SV Therapy Riding	500	500	0
Rescue	20,000	20,000	0
Total Health and Social Services	<u>63,043</u>	<u>62,769</u>	<u>274</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Green Mountain Beach:			
Green Mountain Beach Mowing	\$ 850	\$ 529	\$ 321
Maintenance and Improvement	900	565	335
Toilets	<u>800</u>	<u>616</u>	<u>184</u>
Total Green Mountain Beach	<u>2,550</u>	<u>1,710</u>	<u>840</u>
Employee Benefits:			
Social Security	87,240	96,580	(9,340)
Health Care	427,755	330,458	97,297
Disability/Life Insurance	3,700	3,222	478
Retirement	93,200	90,013	3,187
Employee Security	<u>500</u>	<u>0</u>	<u>500</u>
Total Employee Benefits	<u>612,395</u>	<u>520,273</u>	<u>92,122</u>
Grounds Keeper:	<u>7,746</u>	<u>8,360</u>	<u>(614)</u>
Transfer Station:			
Operator	44,570	46,148	(1,578)
Management District Assessment	14,200	14,146	54
Electricity	1,700	2,135	(435)
Telephone	1,200	1,039	161
Post Closure Expense	500	0	500
Tire Recycling	500	893	(393)
Disposal & Containers	95,000	96,372	(1,372)
TS Recycle	53,000	58,386	(5,386)
Maintenance/Improvements/Supplies	1,600	4,475	(2,875)
Miscellaneous	<u>300</u>	<u>0</u>	<u>300</u>
Total Transfer Station	<u>212,570</u>	<u>223,594</u>	<u>(11,024)</u>
Legal and Professional Fees:	<u>60,150</u>	<u>68,453</u>	<u>(8,303)</u>
Memorial Hall:			
Electricity	2,000	1,729	271
Water Rent	1,200	1,577	(377)
Sewer Rent	1,200	1,216	(16)
Maintenance	3,000	11,299	(8,299)
Grounds	1,200	1,259	(59)
Heat	2,500	7,174	(4,674)
Fire Alarm	800	2,658	(1,858)
Insurance	2,500	1,739	761
Cleaning/Janitorial	<u>10,000</u>	<u>5,090</u>	<u>4,910</u>
Total Memorial Hall	<u>24,400</u>	<u>33,741</u>	<u>(9,341)</u>
Planning Commission:			
Windham Region	4,400	4,433	(33)
Manuals	400	0	400
Public Notice	450	59	391
Postage	100	0	100
Training Expenses	<u>250</u>	<u>20</u>	<u>230</u>
Total Planning Commission	<u>5,600</u>	<u>4,512</u>	<u>1,088</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budget	Actual	Variance Favorable/ (Unfavorable)
Library:	\$ 140,000	\$ 139,846	\$ 154
Memorial Day:	400	0	400
Recreation Commission:			
Elementary Program Director	2,745	2,745	0
Elementary Counselors	3,943	3,943	0
MS Program Directors	3,545	3,545	0
MS Art Director	300	0	300
MS Counselors	3,910	2,205	1,705
Adult and Junior Soccer	0	183	(183)
Elementary Programs	750	750	0
MHS Supplies	750	726	24
Portable Toilets	2,800	1,745	1,055
Green-Up Day	175	26	149
Beautification Committee	2,900	1,657	1,243
Flowers/Barrels	20,626	20,626	0
Tennis Courts	4,000	6,339	(2,339)
Valley Youth Sports	7,000	7,000	0
Rec Projects/Programs	4,000	0	4,000
Total Recreation Commission	57,444	51,490	5,954
Town Hall:			
Electricity	8,000	4,608	3,392
Heat	6,500	9,387	(2,887)
Supplies	1,500	1,852	(352)
Fire Alarm	600	794	(194)
Water Rent	1,480	1,726	(246)
Sewer Rent	1,600	1,610	(10)
Maintenance	5,000	17,209	(12,209)
Elevator	2,700	3,320	(620)
Janitorial and Carting	18,720	18,826	(106)
Total Town Hall	46,100	59,332	(13,232)
Selectpersons Contingency:			
Miscellaneous	2,500	2,419	81
Economic Development	77,195	75,853	1,342
Total Selectpersons Contingency	79,695	78,272	1,423
Other:			
Public Safety Bldg Bond	375,639	375,639	0
Street Lights	15,100	15,675	(575)
Taxes - County Court	74,224	64,297	9,927
Town Reports	850	1,053	(203)
Vermont League of Cities and Towns Dues	3,660	3,660	0
Web Site	800	523	277
Total Other	470,273	460,847	9,426

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budget	Actual	Variance Favorable/ (Unfavorable)
Operating Transfers:			
Public Lands and Fences	\$ 10,000	\$ 10,000	\$ 0
Fire Department Equipment	150,000	150,000	0
Fire House Capital	5,000	5,000	0
Memorial Hall Fund Capital Transfer	20,000	20,000	0
Police Equipment Capital	20,000	20,000	0
Reappraisal Fund	26,792	26,775	17
Town Hall Capital Fund	20,000	20,000	0
Transfer Station Capital	5,000	5,000	0
Library Capital Fund	12,000	12,000	0
Planning/Acquisition Capital	260,000	260,000	0
	528,792	528,775	17
Total Operating Transfers			
	4,003,316	3,885,814	117,502
Total Cash Disbursements			
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	\$ (500,000)	(232,550)	\$ 267,450
Adjustment to Reconcile from Budgetary Basis of Accounting to the Modified Cash Basis of Accounting:			
Town Trails Reserve Income		133	
Town Trails Reserve Expenditures		(515)	
Animal Control Income		1,281	
Animal Control Expenditures		(580)	
Grant Funds Income		42,860	
Grant Funds Expenditures		(62,608)	
Public Lands and Fences Transfer In		10,000	
Public Lands and Fences Income		56	
Public Lands and Fences Expenditures		(2,186)	
Green MT Beach Timber Income		8	
Revenue Sharing Income		3	
Health Trust Income		68,679	
Health Trust Expenses		(75,916)	
Net Change in Fund Balance		(251,335)	
Fund Balance - July 1, 2022		953,296	
Fund Balance - June 30, 2023		\$ 701,961	

The reconciling items are due to combining seven (7) funds, the Town Trails Reserve Fund, the Animal Control Fund, the Grants Fund, the Public Lands and Fences Fund, the Green MT Beach Timber Fund, the Revenue Sharing Fund and the Health Trust Fund with the General Fund in order to comply with GASB Statement no. 54.

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - HIGHWAY FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budget	Actual	Variance Favorable/ (Unfavorable)
Cash Receipts:			
Tax Collections	\$ 1,811,250	\$ 1,811,250	\$ 0
State Aid	143,000	146,724	3,724
Grant Income	0	43,500	43,500
Permits	100	87	(13)
Interest Income	400	4,632	4,232
Other	0	4,020	4,020
Total Cash Receipts	1,954,750	2,010,213	55,463
Cash Disbursements:			
Salaries and Employee Benefits:			
Salaries and Wages	402,244	393,161	9,083
Highway Superintendent	75,294	69,282	6,012
Unscheduled Overtime	37,000	23,457	13,543
Administrative	0	72	(72)
Society Security	39,365	30,835	8,530
Health Insurance	245,500	195,100	50,400
Disability Insurance	2,300	1,959	341
Retirement	34,732	31,561	3,171
Uniforms	3,100	3,602	(502)
Workers Comp	33,200	21,575	11,625
Total Salaries and Employee Benefits	872,735	770,604	102,131
Materials:			
Parking Maintenance	2,500	1,971	529
Culverts	21,000	14,750	6,250
Rails	10,000	9,302	698
Chloride	22,000	15,188	6,812
Gravel/Stone/Fabric-Misc.	130,000	128,361	1,639
Resurfacing	340,000	343,835	(3,835)
Salt	79,000	75,557	3,443
Sand	75,000	61,550	13,450
Snow Removal	37,500	47,297	(9,797)
Signs	2,200	1,775	425
Crack Sealing	18,000	17,583	417
Stabilization/Fabric/Hay	9,000	5,508	3,492
Total Materials	746,200	722,677	23,523
Equipment:			
Maintenance to Equipment	60,700	62,955	(2,255)
Fuel	59,000	91,309	(32,309)
Rental/Contracted	7,000	5,336	1,664
Training	100	149	(49)
Total Equipment	126,800	159,749	(32,949)

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - HIGHWAY FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budget	Actual	Variance Favorable/ (Unfavorable)
Garage:			
Advertising	\$ 550	\$ 625	\$ (75)
Electricity	2,900	3,107	(207)
Tools & Supplies	20,100	19,968	132
Personal Protective Equipment	1,500	1,789	(289)
Telephone	3,300	3,757	(457)
Insurance - Vehicles/Buildings	21,000	13,774	7,226
Computer/Office Supplies	800	808	(8)
Sewer Rent	825	820	5
MRGP Permit	2,190	1,765	425
Building/Maintenance/Improvements	5,600	12,895	(7,295)
Fire Alarm	250	447	(197)
Heating	5,000	7,584	(2,584)
Total Garage	64,015	67,339	(3,324)
Transfers:			
Transfer to Bridge Capital	100,000	100,000	0
Transfer to TRE	175,000	175,000	0
Transfer to Highway Building Capital	5,000	5,000	0
Total Transfers	280,000	280,000	0
Total Cash Disbursements	2,089,750	2,000,369	89,381
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	\$ (135,000)	9,844	\$ 144,844
Fund Balance - July 1, 2022		240,818	
Fund Balance - June 30, 2023		\$ 250,662	

The accompanying notes are an integral part of this financial statement.

TOWN OF WILMINGTON, VERMONT
 COMBINING SCHEDULE OF MODIFIED CASH BASIS ASSETS,
 LIABILITIES AND FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2023

	Special Revenue Funds	Capital Projects Funds	Total
<u>ASSETS</u>			
Cash	\$ 88,965	\$ 1,019	\$ 89,984
Restricted Cash Equivalents	0	42,132	42,132
Investments	52,381	0	52,381
Due from Other Funds	746,572	847,008	1,593,580
Total Assets	\$ 887,918	\$ 890,159	\$ 1,778,077
<u>LIABILITIES AND FUND BALANCES</u>			
Due to Other Funds	\$ 0	\$ 20,837	\$ 20,837
Total Liabilities	0	20,837	20,837
Fund Balances:			
Nonspendable	432	0	432
Restricted	652,775	319,489	972,264
Committed	1,481	562,857	564,338
Assigned	233,230	7,813	241,043
Unassigned/(Deficit)	0	(20,837)	(20,837)
Total Fund Balances	887,918	869,322	1,757,240
Total Liabilities and and Fund Balances	\$ 887,918	\$ 890,159	\$ 1,778,077

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF WILMINGTON, VERMONT
 COMBINING SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN MODIFIED CASH BASIS FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

	Special Revenue Funds	Capital Projects Funds	Total
Cash Receipts:			
Intergovernmental	\$ 304,587	\$ 6,099	\$ 310,686
Charges for Services	32,391	2,812	35,203
Permits, Licenses and Fees	1,180	0	1,180
Investment Income	8,439	15,243	23,682
Loan Repayments	18,294	0	18,294
Donations	1,699	0	1,699
Miscellaneous	200	0	200
	<u>366,790</u>	<u>24,154</u>	<u>390,944</u>
Cash Disbursements:			
General Government	17,441	68,256	85,697
Public Safety	22,150	100	22,250
Highways and Streets	0	5,366	5,366
Culture and Recreation	0	0	0
Cemetery	59,169	0	59,169
Solid Waste	0	11,641	11,641
Capital Outlay:			
Public Safety	0	524,630	524,630
Highways and Streets	0	293,787	293,787
Debt Service:			
Principal	0	34,870	34,870
Interest	0	5,241	5,241
	<u>98,760</u>	<u>943,891</u>	<u>1,042,651</u>
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	<u>268,030</u>	<u>(919,737)</u>	<u>(651,707)</u>
Other Financing Sources:			
Transfers In	62,000	640,000	702,000
Transfers Out	(139,000)	0	(139,000)
	<u>(77,000)</u>	<u>640,000</u>	<u>563,000</u>
Net Change in Fund Balances	191,030	(279,737)	(88,707)
Fund Balances - July 1, 2022	<u>696,888</u>	<u>1,149,059</u>	<u>1,845,947</u>
Fund Balances - June 30, 2023	<u>\$ 887,918</u>	<u>\$ 869,322</u>	<u>\$ 1,757,240</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF WILMINGTON VERMONT
 COMBINING SCHEDULE OF MODIFIED CASH BASIS ASSETS, LIABILITIES AND FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2023

	Records Restoration Fund	Revolving Loan Fund	ARPA Fund	Town Gathering Place Fund	Cemetery Fund	Law Enforcement Trust Fund	Reappraisal Fund	Police Equipment Fund	Police Department Conflict Fund	Davenport Legacy Fund	Beautification Fund	Economic Development Fund	Total
ASSETS													
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 87,409	\$ 0	\$ 0	\$ 905	\$ 7	\$ 432	\$ 0	\$ 212	\$ 88,965
Investment	0	0	0	0	52,381	0	0	0	0	0	0	0	52,381
Due from Other Funds	110,508	64,314	396,980	965	0	2,968	110,054	56,985	0	0	3,798	0	746,572
Total Assets	<u>\$ 110,508</u>	<u>\$ 64,314</u>	<u>\$ 396,980</u>	<u>\$ 965</u>	<u>\$ 139,790</u>	<u>\$ 2,968</u>	<u>\$ 110,054</u>	<u>\$ 57,890</u>	<u>\$ 7</u>	<u>\$ 432</u>	<u>\$ 3,798</u>	<u>\$ 212</u>	<u>\$ 887,918</u>
LIABILITIES AND FUND BALANCES													
Liabilities:	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fund Balances:													
Nonspendable	0	0	0	0	0	0	0	0	0	432	0	0	432
Restricted	110,508	0	396,980	0	139,790	1,699	0	0	0	0	3,798	0	652,775
Committed	0	0	0	0	0	1,269	0	0	0	0	0	212	1,481
Assigned	0	64,314	0	965	0	0	110,054	57,890	7	0	0	0	233,230
Total Fund Balances	<u>110,508</u>	<u>64,314</u>	<u>396,980</u>	<u>965</u>	<u>139,790</u>	<u>2,968</u>	<u>110,054</u>	<u>57,890</u>	<u>7</u>	<u>432</u>	<u>3,798</u>	<u>212</u>	<u>887,918</u>
Total Liabilities and Fund Balances	<u>\$ 110,508</u>	<u>\$ 64,314</u>	<u>\$ 396,980</u>	<u>\$ 965</u>	<u>\$ 139,790</u>	<u>\$ 2,968</u>	<u>\$ 110,054</u>	<u>\$ 57,890</u>	<u>\$ 7</u>	<u>\$ 432</u>	<u>\$ 3,798</u>	<u>\$ 212</u>	<u>\$ 887,918</u>

TOWN OF WILMINGTON, VERMONT
 COMBINING SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS
 AND CHANGES IN MODIFIED CASH BASIS FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

	Records Restoration Fund	Revolving Loan Fund	ARPA Fund	Town Gathering Place Fund	Cemetery Fund	Law Enforcement Trust Fund	Reappraisal Fund	Police Equipment Fund	Police Department Conflict Fund	Davenport Legacy Fund	Beautification Fund	Economic Development Fund	Total
Cash Receipts:													
Intergovernmental	\$ 0	\$ 0	\$ 270,812	\$ 0	\$ 0	\$ 0	\$ 26,775	\$ 7,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 304,587
Charges for Services	15,616	0	0	0	16,775	0	0	0	0	0	0	0	32,391
Permits, Licenses and Fees	0	0	0	0	1,180	0	0	0	0	0	0	0	1,180
Investment Income/(Loss)	1,503	0	5,558	0	(883)	0	1,360	847	0	1	52	1	8,439
Loan Repayments	0	18,294	0	0	0	0	0	0	0	0	0	0	18,294
Donations	0	0	0	0	0	1,699	0	0	0	0	0	0	1,699
Other	0	0	0	0	200	0	0	0	0	0	0	0	200
Total Cash Receipts	17,119	18,294	276,370	0	17,272	1,699	28,135	7,847	0	1	52	1	366,790
Cash Disbursements:													
General Government	7,441	0	10,000	0	0	0	0	0	0	0	0	0	17,441
Public Safety	0	0	0	0	0	0	0	22,150	0	0	0	0	22,150
Cemetery	0	0	0	0	59,169	0	0	0	0	0	0	0	59,169
Total Cash Disbursements	7,441	0	10,000	0	59,169	0	0	22,150	0	0	0	0	98,760
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	9,678	18,294	266,370	0	(41,897)	1,699	28,135	(14,303)	0	1	52	1	268,030
Other Financing Sources:													
Transfers In	0	0	0	0	42,000	0	0	20,000	0	0	0	0	62,000
Transfers Out	0	0	(139,000)	0	0	0	0	0	0	0	0	0	(139,000)
Total Other Financing Sources	0	0	(139,000)	0	42,000	0	0	20,000	0	0	0	0	(77,000)
Net Change in Fund Balances	9,678	18,294	127,370	0	103	1,699	28,135	5,697	0	1	52	1	191,030
Fund Balances - July 1, 2022	100,830	46,020	269,610	965	139,687	1,269	81,919	52,193	7	431	3,746	211	696,888
Fund Balances - June 30, 2023	\$ 110,508	\$ 64,314	\$ 396,980	\$ 965	\$ 139,790	\$ 2,968	\$ 110,054	\$ 57,890	\$ 7	\$ 432	\$ 3,798	\$ 212	\$ 887,918

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF WILMINGTON, VERMONT
COMBINING SCHEDULE OF MODIFIED CASH BASIS ASSETS, LIABILITIES AND FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023

	Town Hall Capital Fund	Veteran's Memorial Park Fund	Memorial Hall Capital Fund	Dry Hydrant Grant Fund	Town Road Equipment Fund	Bridge Rehabilitation Fund
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted Cash Equivalents	0	0	0	0	0	0
Due From Other Funds	<u>69,986</u>	<u>50,000</u>	<u>88,906</u>	<u>6,785</u>	<u>322,483</u>	<u>0</u>
Total Assets	<u>\$ 69,986</u>	<u>\$ 50,000</u>	<u>\$ 88,906</u>	<u>\$ 6,785</u>	<u>\$ 322,483</u>	<u>\$ 0</u>
<u>LIABILITIES AND FUND BALANCES</u>						
Due to Other Funds	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>20,837</u>
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,837</u>
Fund Balances:						
Restricted	0	0	0	0	0	0
Committed	69,986	50,000	88,906	0	322,483	0
Assigned	0	0	0	6,785	0	0
Unassigned/(Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(20,837)</u>
Total Fund Balances	<u>69,986</u>	<u>50,000</u>	<u>88,906</u>	<u>6,785</u>	<u>322,483</u>	<u>(20,837)</u>
Total Liabilities and Fund Balances	<u>\$ 69,986</u>	<u>\$ 50,000</u>	<u>\$ 88,906</u>	<u>\$ 6,785</u>	<u>\$ 322,483</u>	<u>\$ 0</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF WILMINGTON, VERMONT
COMBINING SCHEDULE OF MODIFIED CASH BASIS ASSETS, LIABILITIES AND FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023

	Garage Capital Fund	School Field Fund	Old Fire House Capital Fund	Transfer Station Capital Fund	Planning and Acquisitions Fund	Energy Efficient Reserve Fund	Total
<u>ASSETS</u>							
Cash	\$ 0	\$ 0	\$ 2,894	\$ (1,875)	\$ 0	\$ 0	\$ 1,019
Restricted Cash Equivalents	0	0	0	0	42,132	0	42,132
Due From Other Funds	<u>5,070</u>	<u>1,028</u>	<u>0</u>	<u>25,393</u>	<u>276,232</u>	<u>1,125</u>	<u>847,008</u>
Total Assets	<u>\$ 5,070</u>	<u>\$ 1,028</u>	<u>\$ 2,894</u>	<u>\$ 23,518</u>	<u>\$ 318,364</u>	<u>\$ 1,125</u>	<u>\$ 890,159</u>
<u>LIABILITIES AND FUND BALANCES</u>							
Due to Other Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,837
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,837</u>
Fund Balances:							
Restricted	0	0	0	0	318,364	1,125	319,489
Committed	5,070	0	2,894	23,518	0	0	562,857
Assigned	0	1,028	0	0	0	0	7,813
Unassigned/(Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(20,837)</u>
Total Fund Balances	<u>5,070</u>	<u>1,028</u>	<u>2,894</u>	<u>23,518</u>	<u>318,364</u>	<u>1,125</u>	<u>869,322</u>
Total Liabilities and Fund Balances	<u>\$ 5,070</u>	<u>\$ 1,028</u>	<u>\$ 2,894</u>	<u>\$ 23,518</u>	<u>\$ 318,364</u>	<u>\$ 1,125</u>	<u>\$ 890,159</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF WILMINGTON, VERMONT
COMBINING SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Town Hall Capital Fund	Veteran's Memorial Park Fund	Memorial Hall Capital Fund	Dry Hydrant Grant Fund	Town Road Equipment Fund	Bridge Rehabilitation Fund
Cash Receipts:						
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Charges for Service	0	0	0	0	0	0
Investment Income	1,084	0	1,227	95	4,280	7
Total Cash Receipts	1,084	0	1,227	95	4,280	7
Cash Disbursements:						
General Government	27,150	0	9,337	0	0	0
Public Safety	0	0	0	100	0	0
Highways and Streets	0	0	0	0	5,366	0
Culture and Recreation	0	0	0	0	0	0
Sold Waste	0	0	0	0	0	0
Capital Outlay:						
Public Safety	0	0	0	0	0	0
Highways and Streets	0	0	0	0	30,000	263,787
Debt Service:						
Principal	0	0	0	0	34,870	0
Interest	0	0	0	0	5,241	0
Total Cash Disbursements	27,150	0	9,337	100	75,477	263,787
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	(26,066)	0	(8,110)	(5)	(71,197)	(263,780)
Other Financing Sources:						
Transfers In	20,000	50,000	20,000	0	175,000	100,000
Total Other Financing Sources	20,000	50,000	20,000	0	175,000	100,000
Net Change in Fund Balances	(6,066)	50,000	11,890	(5)	103,803	(163,780)
Fund Balances - July 1, 2022, As Restated	76,052	0	77,016	6,790	218,680	142,943
Fund Balances/(Deficits) - June 30, 2023	\$ 69,986	\$ 50,000	\$ 88,906	\$ 6,785	\$ 322,483	\$ (20,837)

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF WILMINGTON, VERMONT
COMBINING SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Garage Capital Fund	School Field Fund	Old Fire House Capital Fund	Transfer Station Capital Fund	Planning and Acquisitions Fund	Energy Efficient Reserve Fund	Total
Cash Receipts:							
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,099	\$ 6,099
Charges for Service	0	0	0	2,812	0	0	2,812
Investment Income	70	0	19	430	7,641	390	15,243
Total Cash Receipts	70	0	19	3,242	7,641	6,489	24,154
Cash Disbursements:							
General Government	0	0	0	0	0	31,769	68,256
Public Safety	0	0	0	0	0	0	100
Highways and Streets	0	0	0	0	0	0	5,366
Culture and Recreation	0	0	0	0	0	0	0
Solid Waste	0	0	0	11,641	0	0	11,641
Capital Outlay:							
Public Safety	0	0	30,152	0	494,478	0	524,630
Highways and Streets	0	0	0	0	0	0	293,787
Debt Service:							
Principal	0	0	0	0	0	0	34,870
Interest	0	0	0	0	0	0	5,241
Total Cash Disbursements	0	0	30,152	11,641	494,478	31,769	943,891
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	70	0	(30,133)	(8,399)	(486,837)	(25,280)	(919,737)
Other Financing Sources:							
Transfers In	5,000	0	5,000	5,000	260,000	0	640,000
Total Other Financing Sources	5,000	0	5,000	5,000	260,000	0	640,000
Net Change in Fund Balances	5,070	0	(25,133)	(3,399)	(226,837)	(25,280)	(279,737)
Fund Balances - July 1, 2022, As Restated	0	1,028	28,027	26,917	545,201	26,405	1,149,059
Fund Balances/(Deficits) - June 30, 2023	\$ 5,070	\$ 1,028	\$ 2,894	\$ 23,518	\$ 318,364	\$ 1,125	\$ 869,322

See Disclaimer in Accompanying Independent Auditor's Report.

Sullivan, Powers & Co., P.C.

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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"

Selectboard
Town of Wilmington, Vermont
115 Elm Street
P.O. Box 319
Bennington, VT 05201-0319

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 Wilmington, Vermont as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Town of Wilmington, Vermont's basic financial statements and have issued our report thereon dated April 10, 2024. Our opinion on the governmental activities, the General Fund and the Aggregate Remaining Fund Information was qualified because of the inadequacies in the Town's controls over transfer station fees receipts and that Management has not included the Wilmington Library Fund that should be included in the Town of Wilmington, Vermont's financial statements.

Report on Internal Control Over Financial Reporting

In planning and performing the audit, we considered the Town of Wilmington, Vermont's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Wilmington, Vermont's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Wilmington, Vermont'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 of Wilmington, Vermont'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 identified certain deficiencies in internal control, as described in the accompanying Schedule of Findings and Deficiencies in Internal Control as Items 2023-01 and 2023-02, that we consider to be a material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Wilmington, Vermont's financial statements are free of 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 financial statements. 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 of Wilmington, Vermont's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Town of Wilmington, Vermont's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Deficiencies in Internal Control. The Town of Wilmington, Vermont's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 of Wilmington, Vermont's internal control or on compliance. This report is an integral part of an audit performing in accordance with "Government Auditing Standards" in considering the Town of Wilmington, Vermont's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sullivan, Powers & Co.

April 10, 2024
Montpelier, Vermont
VT Lic. #92-000180

TOWN OF WILMINGTON, VERMONT
SCHEDULE OF FINDINGS AND DEFICIENCIES IN INTERNAL CONTROL
JUNE 30, 2023

Deficiencies in Internal Control:

Material Weaknesses:

2023-01 Transfer Station Revenues

Criteria:

Internal controls over transfer station revenues should be in place so that no individual can both perpetrate and conceal errors or irregularities.

Condition:

The Town does not have adequate internal controls in place over transfer station revenues. Therefore, the Town cannot be sure that all of the cash collected is being handed over to them by the transfer station employees.

Cause:

Unknown.

Effect:

The collections at the transfer station are subject to misappropriation.

Recommendation:

Our primary recommendation is that the Town consider selling transfer station coupons off-site at the Town Treasurer's office and/or at local businesses. If sales take place at the transfer station, we recommend that the Town consistently utilize the cash register and require cash receipts to be issued to all customers. In addition, management should reconcile the cash receipts to the actual cash collected.

2023-02 Bond Proceeds

Criteria:

Internal controls should be in place to ensure the Town records proceeds related to bonds and their associated cash accounts properly.

TOWN OF WILMINGTON, VERMONT
SCHEDULE OF FINDINGS AND DEFICIENCIES IN INTERNAL CONTROL
JUNE 30, 2023

Condition:

The Town did not have controls in place to ensure that cash accounts related to bonds taken out by the Town were recorded correctly.

Cause:

Unknown.

Effect:

Adjustments were required to correct the Town's debt transactions.

Recommendation:

We recommend that the Town implement controls to ensure that bond proceeds and associated cash accounts are recorded properly.

Town of

Wilmington

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March 26, 2024

Sullivan, Powers & Co., P.C.
77 Barre Street
PO Box 947
Montpelier, VT 05601
802/223-2352

RE: Independent Auditor's Report, FY-2023

In reviewing this Independent Auditor's Report, the town agrees to take steps in answering the following:

1. *Auditor did not audit the Transfer Station fees because of inadequacies in the Town's controls over transfer station fees receipts during the year.*
 - A. Management uses a cash system that incorporates the use of a cash register with a tape that records each transaction. It receives Transfer Station monies and tapes weekly, every Monday morning, thereby reconciling the cash receipts to the actual cash collected. In addition, the Town will improve this cash system by directing the Transfer Station operator to issue a cash receipt to each customer, regardless of their preference. Management feels changing the process to sell coupon books off-site would not remove the risk but would make use of the transfer station difficult, especially for our part-time/second home residents.

2. *Management has not determined whether the Wilmington Library Fund should be included in the Town of Wilmington, Vermont's financial statements. The modified cash basis of accounting could require the Wilmington Library Fund to be included in the financial statements of the Town as part of the government activities and aggregate remaining fund information.*
 - A. Management will meet with the Pettee Memorial Library Board of Trustees, elected officials, to propose the inclusion of the Wilmington Library Fund in the Town's financial statements as a matter of financial transparency to taxpayers for FY-2024.

3. *The Town did not have controls in place to ensure long-term debt proceeds are recorded properly.*
 - A. Management has established a Facilities cash account using a journal entry (i.e., Public Safety Facility bond). Management will set up controls to avoid this in the future.


Scott A. Tucker
Town Manager