

TOWN OF WILMINGTON, VERMONT

AUDIT REPORT

JUNE 30, 2024

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AUDIT REPORT
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Independent Auditor's Report

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Report on the Audit of the Financial Statements

Qualified and Unmodified Opinions

We have audited the accompanying modified cash basis 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, 2024, 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 and Community Development Fund	Unmodified
Water Fund	Unmodified
Sewer Fund	Unmodified
Aggregate Remaining Fund Information	Qualified

Qualified Opinions on Governmental Activities, 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 modified cash basis 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, 2024, and the changes in modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting, as described in Note I.D.

Unmodified Opinions on Business-type Activities, Highway Fund, Economic and Community Development Fund, Water Fund and Sewer Fund

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective modified cash basis financial position of the business-type activities, the Highway Fund, the Economic and Community Development Fund, the Water Fund and the Sewer Fund of the Town of Wilmington, Vermont, as of June 30, 2024, and the respective changes in modified cash basis 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 Governmental Activities, 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 \$122,835) 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 affect 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.

Changes in Accounting Principles

As described in Note I.E. to the financial statements, in 2024, the Town adopted new accounting guidance, GASB Statement No. 100, “Accounting Changes and Error Corrections”, an amendment of GASB Statement No. 62. Our opinion is not modified with respect to this matter.

Emphasis of Matter – Basis of Accounting

We draw attention to Note I.D. of 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 opinions are not modified with respect to this 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 described in Note I.D., and for 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 a 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 Schedules 1 and 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 2, 2025, 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, and 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 2, 2025
Montpelier, Vermont
VT Lic. #92-000180

TOWN OF WILMINGTON, VERMONT
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash	\$ 5,269,846	\$ 86,248	\$ 5,356,094
Investments	56,665	0	56,665
Internal Balances	<u>(914,617)</u>	<u>914,617</u>	<u>0</u>
Total Assets	<u>4,411,894</u>	<u>1,000,865</u>	<u>5,412,759</u>
<u>LIABILITIES</u>			
Due to State of Vermont	515	0	515
Tax Sale Overpayments	28,177	0	28,177
Prepaid User Fees	<u>0</u>	<u>3,780</u>	<u>3,780</u>
Total Liabilities	<u>28,692</u>	<u>3,780</u>	<u>32,472</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Prepaid Property Taxes	<u>85,590</u>	<u>0</u>	<u>85,590</u>
Total Deferred Inflows of Resources	<u>85,590</u>	<u>0</u>	<u>85,590</u>
<u>NET POSITION</u>			
Restricted:			
Non-Expendable:			
Other	425	0	425
Expendable:			
Records Restoration	122,478	0	122,478
Town Trails	101,881	0	101,881
Other	38,740	0	38,740
Unrestricted	<u>4,034,088</u>	<u>997,085</u>	<u>5,031,173</u>
Total Net Position	<u>\$ 4,297,612</u>	<u>\$ 997,085</u>	<u>\$ 5,294,697</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, 2024

	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Position		
	Cash Disbursements	Charges for Services	Operating Grants/Loans and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs:							
Primary Government:							
Governmental Activities:							
General Government	\$ 1,452,314	\$ 182,609	\$ 37,639	\$ 22,066	\$ (1,210,000)	\$ 0	\$ (1,210,000)
Public Safety	1,416,559	98,473	15,306	0	(1,302,780)	0	(1,302,780)
Highways and Streets	2,288,761	1,380	208,707	120,539	(1,958,135)	0	(1,958,135)
Culture and Recreation	289,996	0	40,828	100,000	(149,168)	0	(149,168)
Community Development	358,066	13,145	0	0	(344,921)	0	(344,921)
Cemetery	79,537	26,681	0	0	(52,856)	0	(52,856)
Solid Waste	253,012	125,648	0	0	(127,364)	0	(127,364)
Debt Service	415,384	0	0	0	(415,384)	0	(415,384)
Total Governmental Activities	6,553,629	447,936	302,480	242,605	(5,560,608)	0	(5,560,608)
Business-type Activities:							
Water	348,351	332,910	33,592	0	0	18,151	18,151
Sewer	407,828	484,999	0	0	0	77,171	77,171
Total Business-type Activities	756,179	817,909	33,592	0	0	95,322	95,322
Total Primary Government	\$ 7,309,808	\$ 1,265,845	\$ 336,072	\$ 242,605	(5,560,608)	95,322	(5,465,286)
General Receipts:							
Property Taxes					4,760,640	0	4,760,640
Penalties and Interest on Delinquent Taxes					136,044	0	136,044
Local Option Sales Taxes					540,312	0	540,312
General State Grants					71,921	0	71,921
Unrestricted Investment Earnings					255,990	9,933	265,923
Proceeds from Sale of Property					21,352	0	21,352
Proceeds from Sale of Equipment					13,914	0	13,914
Proceeds from Sale of Vehicle					7,700	0	7,700
Other Receipts					14,797	0	14,797
Transfers:					(409,512)	409,512	0
Total General Receipts and Transfers					5,413,158	419,445	5,832,603
Change in Net Position					(147,450)	514,767	367,317
Net Position - July 1, 2023					4,445,062	482,318	4,927,380
Net Position - June 30, 2024					\$ 4,297,612	\$ 997,085	\$ 5,294,697

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, 2024

	General Fund	Highway Fund	Economic and Community Development Fund	Non-Major Governmental Funds	Total
<u>ASSETS</u>					
Cash	\$ 5,063,002	\$ 0	\$ 0	\$ 206,844	\$ 5,269,846
Investments	0	0	0	56,665	56,665
Due from Other Funds	<u>0</u>	<u>156,550</u>	<u>1,769,334</u>	<u>1,570,547</u>	<u>3,496,431</u>
Total Assets	\$ <u>5,063,002</u>	\$ <u>156,550</u>	\$ <u>1,769,334</u>	\$ <u>1,834,056</u>	\$ <u>8,822,942</u>
<u>LIABILITIES</u>					
Due to State of Vermont	\$ 515	\$ 0	\$ 0	\$ 0	\$ 515
Due to Other Funds	4,411,048	0	0	0	4,411,048
Tax Sale Overpayments	<u>28,177</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>28,177</u>
Total Liabilities	<u>4,439,740</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,439,740</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Prepaid Property Taxes	<u>85,590</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>85,590</u>
Total Deferred Inflows of Resources	<u>85,590</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>85,590</u>
<u>FUND BALANCES</u>					
Nonspendable	0	0	0	425	425
Restricted	101,881	0	0	161,218	263,099
Committed	0	156,550	1,769,334	1,621,441	3,547,325
Assigned	276,786	0	0	50,972	327,758
Unassigned	<u>159,005</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>159,005</u>
Total Fund Balances	<u>537,672</u>	<u>156,550</u>	<u>1,769,334</u>	<u>1,834,056</u>	<u>4,297,612</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u>5,063,002</u>	\$ <u>156,550</u>	\$ <u>1,769,334</u>	\$ <u>1,834,056</u>	\$ <u>8,822,942</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, 2024

	General Fund	Highway Fund	Economic and Community Development Fund	Formerly Major Fund Fire Department Equipment Capital Fund	Non-Major Governmental Funds	Total
Cash Receipts:						
Property Taxes	\$ 2,901,091	\$ 1,859,549	\$ 0	\$ 0	\$ 0	\$ 4,760,640
Penalties and Interest on Delinquent Taxes	136,044	0	0	0	0	136,044
Local Option Sales Taxes	0	0	540,312	0	0	540,312
Intergovernmental	138,044	208,707	0	0	147,501	494,252
Charges for Services	253,492	0	0	0	28,913	282,405
Permits, Licenses and Fees	117,189	1,380	0	0	15,575	134,144
Fines and Forfeits	28,622	0	0	0	0	28,622
Loan Repayments	0	0	0	0	13,145	13,145
Investment Income	127,477	10,353	50,681	0	67,479	255,990
Donations	100,430	0	0	0	22,324	122,754
Other	712	12,680	0	0	1,405	14,797
Total Cash Receipts	<u>3,803,101</u>	<u>2,092,669</u>	<u>590,993</u>	<u>0</u>	<u>296,342</u>	<u>6,783,105</u>
Cash Disbursements:						
General Government	1,389,044	0	0	0	6,686	1,395,730
Public Safety	1,246,978	0	0	0	575	1,247,553
Highways and Streets	0	1,488,123	0	0	0	1,488,123
Culture and Recreation	289,996	0	0	0	0	289,996
Community Development	79,214	0	278,852	0	0	358,066
Cemetery	0	0	0	0	79,537	79,537
Solid Waste	237,695	0	0	0	0	237,695
Capital Outlay:						
General Government	0	0	0	0	66,964	66,964
Public Safety	61,937	0	0	0	107,069	169,006
Highways and Streets	0	338,658	0	0	461,980	800,638
Solid Waste	0	0	0	0	15,317	15,317
Debt Service:						
Principal	276,340	0	0	0	35,860	312,200
Interest	98,934	0	0	0	4,250	103,184
Total Cash Disbursements	<u>3,680,138</u>	<u>1,826,781</u>	<u>278,852</u>	<u>0</u>	<u>778,238</u>	<u>6,564,009</u>
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	<u>122,963</u>	<u>265,888</u>	<u>312,141</u>	<u>0</u>	<u>(481,896)</u>	<u>219,096</u>
Other Financing Sources/(Uses):						
Proceeds from Sale of Property	21,352	0	0	0	0	21,352
Proceeds from Sale of Equipment	0	0	0	0	13,914	13,914
Proceeds from Sale of Vehicle	7,700	0	0	0	0	7,700
Transfers In	409,512	0	0	0	677,332	1,086,844
Transfers Out	(725,816)	(360,000)	0	0	(410,540)	(1,496,356)
Total Other Financing Sources/(Uses)	<u>(287,252)</u>	<u>(360,000)</u>	<u>0</u>	<u>0</u>	<u>280,706</u>	<u>(366,546)</u>
Net Change in Fund Balances	<u>(164,289)</u>	<u>(94,112)</u>	<u>312,141</u>	<u>0</u>	<u>(201,190)</u>	<u>(147,450)</u>
Fund Balances - July 1, 2023, As Previously Reported	701,961	250,662	1,457,193	278,006	1,757,240	4,445,062
Change within Financial Reporting Entity (Major to Non-Major Fund)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(278,006)</u>	<u>278,006</u>	<u>0</u>
Fund Balances - July 1, 2023, As Adjusted	<u>701,961</u>	<u>250,662</u>	<u>1,457,193</u>	<u>0</u>	<u>2,035,246</u>	<u>4,445,062</u>
Fund Balances - June 30, 2024	<u>\$ 537,672</u>	<u>\$ 156,550</u>	<u>\$ 1,769,334</u>	<u>\$ 0</u>	<u>\$ 1,834,056</u>	<u>\$ 4,297,612</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, 2024

	Water Fund	Sewer Fund	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 86,248	\$ 86,248
Due from Other Funds	<u>447,548</u>	<u>467,069</u>	<u>914,617</u>
Total Assets	<u>\$ 447,548</u>	<u>\$ 553,317</u>	<u>\$ 1,000,865</u>
<u>LIABILITIES AND NET POSITION</u>			
Liabilities:			
Prepaid User Fees	\$ <u>1,273</u>	\$ <u>2,507</u>	\$ <u>3,780</u>
Total Liabilities	<u>1,273</u>	<u>2,507</u>	<u>3,780</u>
Net Position:			
Unrestricted	<u>446,275</u>	<u>550,810</u>	<u>997,085</u>
Total Net Position	<u>446,275</u>	<u>550,810</u>	<u>997,085</u>
Total Liabilities and Net Position	<u>\$ 447,548</u>	<u>\$ 553,317</u>	<u>\$ 1,000,865</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, 2024

	Water Fund	Sewer Fund	Total
Operating Receipts:			
Charges for Services	\$ 326,763	\$ 436,518	\$ 763,281
Interest and Penalties	1,302	6,374	7,676
Other	<u>4,845</u>	<u>21</u>	<u>4,866</u>
Total Operating Receipts	<u>332,910</u>	<u>442,913</u>	<u>775,823</u>
Operating Disbursements:			
Salaries and Benefits	148,953	226,361	375,314
Administrative Fees	5,190	5,190	10,380
Contracted Services	6,458	0	6,458
Utilities	3,443	40,417	43,860
Repairs and Maintenance	4,487	12,305	16,792
Machinery and Equipment	0	5,488	5,488
Chemicals and Supplies	29,678	7,388	37,066
Dues and Fees	295	259	554
Permits and Testing	5,015	5,415	10,430
Insurances	1,779	7,879	9,658
Biosolids Management	0	6,121	6,121
Other	<u>68</u>	<u>0</u>	<u>68</u>
Total Operating Disbursements	<u>205,366</u>	<u>316,823</u>	<u>522,189</u>
Operating Income	<u>127,544</u>	<u>126,090</u>	<u>253,634</u>
Non-Operating Receipts/(Disbursements):			
Investment Income	5,289	4,644	9,933
Allocation Fees	0	41,668	41,668
Connection Permits	0	418	418
Proceeds from Long-term Debt	33,592	0	33,592
Principal Payments on Long-term Debt	(65,830)	(44,177)	(110,007)
Interest Expense	(21,209)	(29,317)	(50,526)
Asset Management Plan Expenses	(35,360)	0	(35,360)
Capital Outlay	<u>(20,586)</u>	<u>(17,511)</u>	<u>(38,097)</u>
Total Non-Operating Receipts/(Disbursements)	<u>(104,104)</u>	<u>(44,275)</u>	<u>(148,379)</u>
Net Income Before Transfers	23,440	81,815	105,255
Transfers In	<u>204,756</u>	<u>204,756</u>	<u>409,512</u>
Change in Net Position	228,196	286,571	514,767
Net Position - July 1, 2023	<u>218,079</u>	<u>264,239</u>	<u>482,318</u>
Net Position - June 30, 2024	<u>\$ 446,275</u>	<u>\$ 550,810</u>	<u>\$ 997,085</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, 2024

	<u>Custodial Fund</u> <u>Education Tax</u> <u>Fund</u>
<u>ASSETS</u>	
Assets:	\$ <u>0</u>
<u>LIABILITIES</u>	
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, 2024

	<u>Custodial Fund</u> <u>Education Tax</u> <u>Fund</u>
<u>ADDITIONS</u>	
Education Taxes Collected for Other Governments	\$ <u>13,423,118</u>
Total Additions	<u>13,423,118</u>
<u>DEDUCTIONS</u>	
Education Taxes Distributed to Other Governments	<u>13,423,118</u>
Total Deductions	<u>13,423,118</u>
Change in Net Position	0
Net Position - July 1, 2023	<u>0</u>
Net Position - June 30, 2024	\$ <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, 2024

The Town of Wilmington, Vermont (herein the "Town") operates under a Selectboard/Manager form of government and provides the following services: public safety, highways and streets, culture and recreation, community/economic development, cemetery, solid waste, health and social services, public improvements, 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, 2024

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 of the Highway Department.

Economic and Community Development Fund – This fund accounts for the resources that will be used to contribute to economic development projects as the Town determines appropriate. The major source of revenue is the local option sales tax.

The Town reports on the following major enterprise funds:

Water Fund – This fund accounts for the operations of the Water Department.

Sewer Fund – This fund accounts for the operations of the Sewer Department.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

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, amounts due to the State of Vermont for dog and marriage licenses, tax sale proceeds collected in excess of the amount required 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, however, the difference is not material to the financial statements.

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, 2024

Recognition of revenues on funds received in connection with loan programs are recognized when loans are awarded and expenses incurred in excess of current grants and program income. Loan repayment revenue is recognized as the loans are repaid.

E. New Pronouncement – Accounting Changes and Error Corrections

Effective June 30, 2024, the Town implemented GASB Statement No. 100, “Accounting Changes and Error Corrections”, an amendment of GASB Statement No. 62. GASB Statement No. 100 identifies accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes various transactions or events included in these changes. This Statement established accounting and financial reporting requirements for each type of accounting change and correction of an error in previously issued financial statements. The financial reporting requirements related to changes within the financial reporting entity as a result of a change in a fund’s presentation from a major to a non-major fund were applicable to this Statement.

F. 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.

Excess cash of individual funds are shown as due from other funds and excess cash withdrawals are shown as due to other funds. Interest income is allocated based on the due from/to other funds balances.

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. Internal Balances

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 the business-type activities are reported in the government-wide financial statements as “internal balances”.

4. 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, 2024

5. 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, proprietary fund 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.

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 budgets presented herein are for the Town's "General Fund" and "Highway Fund" only and do not include the Town Trails Reserve Fund, the Animal Control Fund, the Grant Fund, the Green Mountain Beach Timber Fund, the Revenue Sharing Fund and the HRA/FSA Fund activity that is included with the General Fund and unbudgeted transfers.

B. Budgeted Deficits

The Town elected to budget cash disbursements in excess of cash receipts by \$428,000 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 \$114,000 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. Excess of Expenditures Over Appropriations

For the year ended June 30, 2024, expenditures in the General Fund exceeded appropriations by \$16,187. These over expenditures were funded by excess revenues.

For the year ended June 30, 2024, expenditures in the Highway Fund exceeded appropriations by \$35,782. These over expenditures were funded by excess revenues.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

D. Adjustments to Beginning Balances

During fiscal year 2024, changes within the financial reporting entity resulted in adjustments to beginning fund balances as follows:

	Reporting Units Affected by Adjustments to Beginning Balances	
	Fire Department Equipment Capital Fund	Non-Major Governmental Funds
Fund Balances - July 1, 2023, As Previously Presented	\$ 278,006	\$ 1,757,240
Change within Financial Reporting Entity (Major to Non-Major Fund)	<u>(278,006)</u>	<u>278,006</u>
Fund Balances - July 1, 2023, As Adjusted	\$ <u>0</u>	\$ <u>2,035,246</u>

III. DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

Cash and investments as of June 30, 2024 consisted of the following:

Cash:	
Deposits with Financial Institutions	\$5,326,119
Deposits with Investment Company	<u>29,975</u>
Total Cash	<u>5,356,094</u>
Investments:	
Certificates of Deposit	36,475
Mutual Funds – Mixed Holdings	<u>20,190</u>
Total Investments	<u>56,665</u>
Total Cash and Investments	<u>\$5,412,759</u>

The Town has three (3) certificates of deposit with various banks ranging from \$2,164 to \$25,562 with interest rates ranging from 2.68% to 4.11%. All certificates of deposit mature during fiscal year 2025.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

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/SIPC Insured	\$ 537,590	\$ 537,671
Uninsured, Collateralized by U.S. Government Agencies Securities Held by the Pledging Financial Institution's Agent	<u>4,854,979</u>	<u>5,017,738</u>
Total	<u>\$5,392,569</u>	<u>\$5,555,409</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	\$5,326,119
Cash – Deposits with Investment Company	29,975
Investments – Certificates of Deposit	<u>36,475</u>
Total	<u>\$5,392,569</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 disclosure. The Town's certificates of deposit are not subject to interest rate risk disclosure. The Town's mutual funds are open-ended and, therefore, are also excluded from interest rate risk disclosure.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

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. These organizations look at a number of factors in order to evaluate the risk of an obligation and rate the risk. The rating allows the investor to make informed buying and selling decisions. The Town does not have any policy to limit the exposure to credit risk. The Town's certificates of deposit are not subject to credit risk disclosure. The Town's mutual funds are open-ended and, therefore, are also excluded from credit risk disclosure.

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. The Town has no investments subject to concentration of credit risk disclosure.

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 certificates of deposit are 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, 2024:

Description	Total	Fair Value Measurements Using:		
		Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Mutual Funds - Mixed Holdings	\$ 20,190	\$ 20,190	\$ 0	\$ 0
Total	\$ 20,190	\$ 20,190	\$ 0	\$ 0

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

B. Interfund Balances and Activity

The composition of interfund balances as of June 30, 2024 are as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 0	\$4,411,048
Highway Fund	156,550	0
Economic and Community Development Fund	1,769,334	0
Non-Major Governmental Funds	1,570,547	0
Water Fund	447,548	0
Sewer Fund	<u>467,069</u>	<u>0</u>
Totals	<u>\$4,411,048</u>	<u>\$4,411,048</u>

Interfund transfers during the year ended June 30, 2024 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	Town Hall Capital Fund	20,000	Appropriation
General Fund	Memorial Hall Capital Fund	20,000	Appropriation
General Fund	Public Lands and Fences Capital Fund	20,000	Appropriation
General Fund	Public Lands and Fences Capital Fund	29,304	Transfer Resources to Separate Capital Projects Fund
General Fund	Fire Department Equipment Capital Fund	150,000	Appropriation
General Fund	Old Fire House Capital Fund	10,000	Appropriation
General Fund	Transfer Station Capital Fund	5,000	Appropriation
General Fund	Police Equipment Capital Fund	20,000	Appropriation
General Fund	Water Fund	204,756	Additional Funding for Route 9 Expansion Project
General Fund	Sewer Fund	204,756	Additional Funding for Route 9 Expansion Project
Highway Fund	Bridge Capital Fund	160,000	Appropriation
Highway Fund	Town Road Equipment Capital Fund	180,000	Appropriation
Highway Fund	Highway Building Capital Fund	20,000	Appropriation
ARPA Fund	General Fund	409,512	Revenue Replacement
School Field Capital Fund	Public Lands and Fences Capital Fund	<u>1,028</u>	Consolidate Capital Funds
Total		<u>\$ 1,496,356</u>	

C. Deferred Inflows of Resources

Deferred inflows of resources in the governmental activities and General Fund consist of \$85,590 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.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

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.

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

Non-Major Funds

Permanent Fund:

Nonspendable Davenport Legacy Principal	<u>\$425</u>
Total Nonspendable Fund Balances	<u>\$425</u>

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

Major Funds

General Fund:

Restricted for Town Trails Reserve Fund Expenses by Donations (Source of Revenue is Donations)	<u>\$101,881</u>
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TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Non-Major Funds

Special Revenue Funds:

Restricted for Records Restoration Expenses by State Statute (Source of Revenue is Restoration Fees)	\$122,478
Restricted for Law Enforcement Trust Expenses by Donations (Source of Revenue is Donations)	2,702
Restricted for Beautification Expenses by Donations (Source of Revenue is Donations)	3,918
Restricted for Dry Hydrant Grant Expenses by Grant Agreement (Source of Revenue is Grant Revenue)	6,947
Restricted for Energy Efficient Expenses by Grant Agreement (Source of Revenue is Grant Revenue)	<u>1,160</u>
Total Special Revenue Funds	<u>137,205</u>

Capital Projects Funds:

Restricted for Veteran's Memorial Park Project by Donations (Source of Revenue is Donations)	<u>24,005</u>
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Permanent Fund:

Restricted for Davenport Legacy Expenses by Donations (Source of Revenue is Donations)	<u>8</u>
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Total Non-Major Funds 161,218

Total Restricted Fund Balances \$263,099

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

Major Funds

Highway Fund:

Committed for Highway Expenditures by the Voters	\$ <u>156,550</u>
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Economic and Community Development Fund:

Committed for Economic and Community Development Expenses by the Voters	<u>1,769,334</u>
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Non-Major Funds

Special Revenue Funds:

Committed for Reappraisal Expenses by the Voters	140,562
Committed for Cemetery Expenses by the Voters	133,291
Committed for Economic Development Expenses by the Voters	213
Committed for Community Revolving Loans by the Voters	<u>77,459</u>

Total Special Revenue Funds 351,525

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Capital Projects Funds:

Committed for Town Hall Capital Expenditures by the Voters	\$ 24,040
Committed for Memorial Hall Capital Expenditures by the Voters	112,297
Committed for Public Lands and Fences Capital Expenditures by the Voters	50,421
Committed for Fire Department Equipment Capital Expenditures by the Voters	416,372
Committed for Old Fire House Capital Expenditures by the Voters	683
Committed for Transfer Station Capital Expenditures by the Voters	16,717
Committed for Police Equipment Capital Expenditures by the Voters	56,827
Committed for Bridge Capital Expenditures by the Voters	116,753
Committed for Town Road Equipment Capital Expenditures by the Voters	168,947
Committed for Highway Building Capital Expenditures by the Voters	15,793
Committed for Planning and Acquisition Capital Expenditures by the Voters	<u>291,066</u>

Total Capital Projects Funds	<u>1,269,916</u>
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Total Non-Major Funds	<u>1,621,441</u>
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Total Committed Fund Balances	<u>\$3,547,325</u>
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The fund balances in the following funds are assigned as follows:

Major Funds

General Fund:

Assigned to Reduce Property Taxes in Fiscal Year 2025	\$250,000
Assigned for Animal Control Fund Expenses	22,113
Assigned for Green Mountain Beach Timber Fund Expenses	3,669
Assigned for Revenue Sharing Fund Expenses	<u>1,004</u>

Total General Fund	<u>276,786</u>
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Non-Major Funds

Special Revenue Funds:

Assigned for Town Gathering Place Expenses	965
Assigned for Police Department Conflict Expenses	<u>7</u>

Total Special Revenue Funds	<u>972</u>
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TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Capital Projects Funds:	
Assigned for Veteran's Memorial Park Project	\$ <u>50,000</u>
Total Non-Major Funds	<u>50,972</u>
Total Assigned Fund Balances	<u>\$327,758</u>

E. Restricted Net Position

The restricted net position in the governmental activities consists of the nonspendable fund balances of \$425 and the restricted fund balances of \$263,099 for a total of \$263,524.

IV. OTHER INFORMATION

A. Pension Plans

Defined Benefit Plan

The Vermont Municipal Employees' Retirement System (VMERS)

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, 2023, the measurement date selected by the State of Vermont, the retirement system consisted of 357 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.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

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

As of June 30, 2023, the measurement date selected by the State of Vermont, VMERS was funded at 74.01% and had a plan fiduciary net position of \$912,113,032 and a total pension liability of \$1,232,406,785 resulting in a net position liability of \$320,293,753. The Town's proportionate share of this was 0.4717% resulting in a net pension liability of \$1,510,777. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. 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 0.4717% was a decrease of 0.0294 from its proportion measured as of the prior year.

Summary of Plan 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.

Normal Retirement Eligibility – Group A – Earlier of age 65 with five (5) years of service or age 55 with thirty-five (35) years of service. Group B – 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.

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

Early Retirement 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; payable without reduction to Group D members.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Vesting – All Groups – Five (5) years of service. 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”.

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

Disability Retirement Amount – All Groups – 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 – All Groups – Death after five (5) years of service.

Death Benefit Amount – 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. Group D – 70% of the unreduced accrued benefit, plus children’s benefit.

Post-Retirement Adjustments – Group A – Allowances in pay status for at least one (1) year increased on each January 1 by one-half of the percentage increase in Consumer Price Index, but not more than 2%. If receiving an Early Retirement benefit, no increases until after attaining Normal Retirement eligibility. If receiving a Disability Retirement benefit, no increases until after attaining age 62. Groups B, C and D – Allowances in payment for at least one (1) year increased on each January 1 by one-half of the percentage increase in Consumer Price Index, but not more than 3%. If receiving an Early Retirement benefit, no increases until after attaining Normal Retirement eligibility. If receiving a Disability Retirement benefit, no increases until after attaining age 62 (age 55 for Group C).

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

Optional Benefit and Death after Retirement – Groups A, B and C – A lifetime allowance or actuarially equivalent 50% or 100% joint and survivor allowance with refund of contribution guarantee. Group D – A 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 – 3.75% effective July 1, 2023; 4.00% effective July 1, 2024; 4.25% effective July 1, 2025, and thereafter.
- Group B – 6.125% effective July 1, 2023; 6.375% effective July 1, 2024; 6.625% effective July 1, 2025, and thereafter.
- Group C – 11.25% effective July 1, 2023; 11.50% effective July 1, 2024; 11.75% effective July 1, 2025, and thereafter.
- Group D – 12.60% effective July 1, 2023; 12.85% effective July 1, 2024; 13.10% effective July 1, 2025, and thereafter.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Employer Contribution Rates:

- Group A – 5.25% effective July 1, 2023; 5.50% effective July 1, 2024; 5.75% effective July 1, 2025, and thereafter.
- Group B – 6.75% effective July 1, 2023; 7.00% effective July 1, 2024; 7.25% effective July 1, 2025, and thereafter.
- Group C – 8.50% effective July 1, 2023; 8.75% effective July 1, 2024; 9.00% effective July 1, 2025, and thereafter.
- Group D – 11.10% effective July 1, 2023; 11.35% effective July 1, 2024; 11.60% effective July 1, 2025, and thereafter.

Significant Actuarial Assumptions and Methods

Inflation Rate – 2.30% per year.

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

Salary Increases – Ranging from 4.07% to 6.21% based on service.

Cost-of-Living Adjustments (COLA) – Assumed to occur on January 1 following one (1) year of retirement at the rate of 1.10% per annum for Group A members and 1.20% per annum for Groups B, C and D members (beginning at Normal Retirement eligibility age for members who elect reduced early retirement, at age 62 for members of Groups A, B and D who receive a disability retirement benefit, and at age 55 for members of Group C who receive a disability retirement benefit). The January 1, 2024 COLA is expected to be 1.10% for Group A and 1.10% for Groups B, C and D. The January 1, 2023 COLAs were 2.00% for Group A and 3.00% for Groups B, C and D.

Mortality:

Pre-Retirement Participants – Groups A and B – 60% PubG-2010 General Employee Amount-Weighted Below Median and 40% of PubG-2010 General Employee Amount-Weighted, with generational projection using scale MP-2021. Group C – PubG-2010 General Employee Amount-Weighted, with generational projection using scale MP-2021. Group D – PubS-2010 Public Safety Employee Amount-Weighted Below Median, with generational projection using scale MP-2021.

Healthy Post-Retirement – Retirees – Groups A and B – PubG-2010 General Healthy Retiree Amount-Weighted Below Median Table with credibility adjustments of 90% and 87% for the Male and Female tables, respectively, with generational projection using scale MP-2021. Group C – PubG-2010 General Healthy Retiree Amount-Weighted Table, with generational projection using scale MP-2021. Group D – PubS-2010 Public Safety Retiree Amount-Weighted Below Median Table, with generational projection using scale MP-2021.

Healthy Post-Retirement – Beneficiaries – All Groups – Pub-2010 Contingent Survivor Amount-Weighted Below Median Table, with generational projection using scale MP-2021.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Disabled Post-Retirement – Groups A, B and C – PubNS-2010 Non-Safety Disabled Retiree Amount-Weighted Table, with generational projection using scale MP-2021. Group D – PubS-2010 Safety Disabled Retiree Amount-Weighted Table, with generational projection using scale MP-2021.

Age of Spouse – Females three (3) 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.

Determination of Discount Rate and Investment Rates of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns 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 adding expected inflation. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equities	44%	5.35%
Private Equity	10%	7.50%
Emerging Market Debt	2%	5.00%
Private and Alternative Credit	10%	5.50%
Non-Core Real Estate	4%	5.50%
Core Fixed Income	19%	1.50%
Core Real Estate	4%	3.25%
US TIPS	2%	1.50%
Infrastructure/Farmland	5%	4.25%

Discount Rate – The long-term expected rate of return on pension plan investments is 7.00%. The high quality tax-exempt general obligation municipal bond rate (20-Bond GO Index) as of the closest date prior to the valuation date of June 30, 2023, is 3.65%, as published by The Bond Buyer.

TOWN OF WILMINGTON, VERMONT
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JUNE 30, 2024

The discount rate used to measure the Total Pension Liability was 7.00% as of June 30, 2023. 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). 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, 2023. 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.

Discount Rate Sensitivity

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the Town's proportionate share of the net pension liability as of June 30, 2023, calculated using the discount rate of 7.00%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
\$2,273,953	\$1,510,777	\$883,476

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.

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. Property taxes are assessed based on property valuations as of April 1, the voter approved budgets and the State education property tax liability. Property taxes are due in two equal installments, on August 25 and February 23. The penalty rate is eight percent (8%) after the February 23 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. Unpaid taxes become an enforceable lien on the property and such properties are subject to tax sale. The tax rates for 2024 were as follows:

	<u>Homestead</u>	<u>Non-Homestead</u>
Town	.6097	.6097
Voted Exemptions	.0023	.0023
Education	<u>1.9659</u>	<u>1.7751</u>
Total	<u>2.5779</u>	<u>2.3871</u>

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

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, 2024 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.

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. Bonds are reported in governmental activities if the debt is expected to be repaid from general governmental revenues and in business-type activities if the debt is expected to be repaid from proprietary fund revenues. 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.

The United States Department of Agriculture (USDA) offers a number of low interest loan programs for various purposes. The Town has borrowed money from the USDA, in the form of a bond, for sewer projects.

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

The Town enters into lease agreements as the lessee for the purpose of financing the acquisition of major pieces of equipment. These lease agreements qualify as financed purchases for accounting purposes (even though they may include clauses that allow for cancellation of the lease in the event the Town does not appropriate funds in future years) and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date of the leases. Leases are reported in governmental activities if the debt is expected to be repaid from general governmental revenues and in business-type activities if the debt is expected to be repaid from proprietary fund revenues.

Long-term debt outstanding as of June 30, 2024 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 Safety Building, Principal Payments of \$275,000 Payable on November 1 Annually, Interest Ranging from 0.6% to 2.6% Payable on May 1 and November 1, Due November, 2041	\$5,225,000	\$ 0	\$275,000	\$4,950,000
Bond Payable, State of Vermont Special Environmental Revolving Fund, Water Line Expansion Feasibility Study, Principal Payments of \$1,900 Payable on November 1 Annually Beginning November 1, 2024, 0% Interest, Due November, 2028	9,500	0	0	9,500
Bond Payable, State of Vermont Special Environmental Revolving Fund, Sewer Collection System Expansion Feasibility Study, Authorized to \$13,400, but Eligible for \$6,700 Subsidy, Principal Payments of \$1,340 Payable on July 1 Annually, 0% Interest, Due July, 2028. The Town Recognized \$6,700 of the Subsidy During the Year.	13,400	0	8,040	5,360
Financed Purchase, KS StateBank, Wheeled Excavator, Principal and Interest Payments of \$40,110 Payable on September 8 Annually, Interest at 2.8%, Due September, 2026	<u>149,666</u>	<u>0</u>	<u>35,860</u>	<u>113,806</u>
Total Governmental Activities	\$ <u>5,397,566</u>	\$ <u>0</u>	\$ <u>318,900</u>	\$ <u>5,078,666</u>

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

During the year, the Town transferred \$9,500 of long-term debt related to the water line expansion feasibility study and \$13,400 of long-term debt related to the sewer collection system expansion feasibility study from the business-type activities to the governmental activities.

Business-type Activities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, Vermont Municipal Bond Bank, Water System Improvements, Principal Payments Ranging from \$27,296 to \$61,328 Payable on November 15 Annually, Interest at 3.93% Payable on May 15 and November 15, Due November, 2033	\$ 560,488	\$ 0	\$ 41,710	\$ 518,778
Bond Payable, State of Vermont Special Environmental Revolving Fund, Water System Improvements, Principal Payments of \$24,120 Payable on December 1 Annually, 0% Interest, Due December, 2048	627,129	0	24,120	603,009
Bond Payable, State of Vermont Special Environmental Revolving Fund, Asset Management Plan, Authorized to \$44,200, but Eligible for 100% Subsidy. The Town Recognized \$33,592 of the Subsidy During the Year.	0	33,592	33,592	0
Bond Payable, U.S. Department of Agriculture, Sewer System Improvements, Principal and Interest Payments of \$36,747 Payable on June 15 and December 15 Semi-Annually, Interest at 2.25%, Due June, 2046	<u>1,313,846</u>	<u>0</u>	<u>44,177</u>	<u>1,269,669</u>
Total Business-type Activities	<u>\$2,501,463</u>	<u>\$33,592</u>	<u>\$143,599</u>	<u>\$2,391,456</u>

TOWN OF WILMINGTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Maturities are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 315,118	\$ 100,296	\$ 112,647	\$ 47,853
2026	316,166	97,104	115,373	45,724
2027	317,242	93,580	118,188	42,245
2028	278,240	89,667	121,097	39,298
2029	276,900	86,477	124,103	36,255
2030-2034	1,375,000	362,836	669,224	131,948
2035-2039	1,375,000	195,456	416,202	71,868
2040-2044	825,000	32,299	451,192	36,878
2045-2049	<u>0</u>	<u>0</u>	<u>263,430</u>	<u>4,041</u>
Total	\$ <u>5,078,666</u>	\$ <u>1,057,715</u>	\$ <u>2,391,456</u>	\$ <u>456,110</u>

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, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Cash Receipts:			
Tax Collections	\$ 2,952,560	\$ 2,901,091	\$ (51,469)
Interest on Delinquent Taxes	60,000	45,324	(14,676)
Penalties on Delinquent Taxes	70,000	90,720	20,720
Miscellaneous Grants	0	3,505	3,505
Glebe Land	27,000	31,562	4,562
Dog/Liquor Licenses	3,300	3,327	27
Zoning Fees	15,000	47,402	32,402
Permit Recording Fees	300	615	315
Land Sales/Redemptions	2,000	21,352	19,352
Miscellaneous Administrative Income	0	13	13
Miscellaneous Income	3,750	528	(3,222)
Acy 60 Grand List Administrative Income	3,156	3,172	16
PILOT Payment	13,000	17,023	4,023
State Education Fund	26,000	30,585	4,585
Reappraisal - State/Parcel Payment	26,792	26,962	170
Land Use	40,000	54,898	14,898
Administrative - Sewer	5,190	5,190	0
Administrative - Water	5,190	5,190	0
Town Clerk Fees	50,000	50,195	195
Fees & Fines - Police	50,000	36,231	(13,769)
Sale of Cruiser	4,500	7,700	3,200
Miscellaneous Police Income	500	4,081	3,581
PD Outside Employment	7,500	20,857	13,357
PD Alarm Registration Fees	4,000	3,025	(975)
DUI Enforcement Grant Income	2,000	4,863	2,863
Governor's Highway Safety Grant Income	5,000	6,535	1,535
GHSP Equipment Grant Income	5,000	3,650	(1,350)
Old Firehouse Rent	3,600	3,300	(300)
FD Fees - Town of Searsburg	29,270	29,268	(2)
Hazardous Cleanup Income	0	1,711	1,711
Insurance Proceeds	0	171	171
Transfer Station Fees	100,000	122,835	22,835
MHS Fees	600	0	(600)
Memorial Hall Rent	1,000	2,994	1,994
Interest	5,000	125,534	120,534
Total Cash Receipts	3,521,208	3,711,409	190,201
Cash Disbursements:			
Town Officers:			
Moderator, Election Officials, Ballots	1,800	0	1,800
Selectboard	6,300	6,300	0
BCA Stipend/Expenses	1,200	0	1,200
Total Town Officers	9,300	6,300	3,000

See Disclaimer in Accompanying Independent Auditor's Report.

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, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Town Clerk:			
Town Clerk Salary	\$ 59,793	\$ 59,793	\$ 0
Assistant Town Clerk Salary	41,730	41,555	175
Supplies & Postage	3,000	1,962	1,038
Training/Expenses	3,000	1,811	1,189
Temporary Help	19,000	15,938	3,062
Taping Town Meeting	600	600	0
Recording Supplies/Materials	2,200	3,057	(857)
Copier/Computer/Office Equipment	2,500	1,827	673
Election Supplies/Postage	2,000	1,046	954
Animal Rabies Control Supplies	400	269	131
Vote Tabulator Programming/Maintenance	1,500	525	975
Total Town Clerk	135,723	128,383	7,340
Treasurer - Finance Officer:	75,785	75,785	0
Assessor Office:			
Administrative Clerk Salary	40,000	60,765	(20,765)
Appraiser	70,000	33,280	36,720
Assessor Office Expenses	2,500	832	1,668
Mapping	5,000	3,885	1,115
Grievance Costs	15,000	203	14,797
Appraisal Supplies/Computer	6,050	6,598	(548)
Reappraisal Communication	1,500	0	1,500
Total Assessor Office	140,050	105,563	34,487
Town Manager:			
Town Manager Salary	113,705	116,205	(2,500)
Town Manager Expenses	3,444	2,393	1,051
Postage/Supplies/Equipment	5,000	6,433	(1,433)
Mileage Reimbursement	2,000	753	1,247
Administrative Secretary	48,140	49,382	(1,242)
Zoning Administrator	56,454	55,748	706
Receptionist/Administrative Assistant	8,450	5,189	3,261
Reconciliation Analyst	450	81	369
Ads Non-Zoning	600	2,335	(1,735)
Computer Support/Equipment	8,640	14,260	(5,620)
Telephone/Internet	9,000	11,140	(2,140)
Tax Bills Printing	4,500	4,174	326
Administration/Selectboard Training/Expenses	2,500	1,316	1,184
Copier - Administration	3,000	3,334	(334)
Total Town Manager	265,883	272,743	(6,860)
Cemetery Expenditures:	42,000	42,000	0

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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, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Zoning, DRB, SBA:			
Training/Expenses/Mileage	\$ 1,400	\$ 2,071	\$ (671)
Advertising	1,300	748	552
Postage/Materials	250	49	201
Bylaw Modernization Grant Expenses	0	2,770	(2,770)
Total Zoning, DRB, SBA	2,950	5,638	(2,688)
Police Department:			
Chief's Salary	89,597	89,597	0
Sworn Payroll	328,495	299,985	28,510
Part-time Payroll	30,228	18,403	11,825
Dispatchers	104,522	92,952	11,570
Overtime	30,000	49,088	(19,088)
Outside Employment	14,500	16,909	(2,409)
Cruiser Replacement	60,000	61,937	(1,937)
Cruiser Operation/Maintenance	30,000	38,012	(8,012)
Uniform Purchase	2,000	3,435	(1,435)
Uniform Maintenance	2,000	1,173	827
Firearms Ammunition	950	1,835	(885)
Radar	575	346	229
Telephone	10,800	14,236	(3,436)
Postage	600	1,470	(870)
Office Supplies	1,500	1,871	(371)
Office Equipment	250	567	(317)
Equipment Maintenance	4,306	2,962	1,344
Computer Hardware & Software	4,000	254	3,746
Statewide Record Database	9,350	7,954	1,396
Copier	1,500	1,400	100
Inservice Training	5,000	4,582	418
Training Aids & Materials	1,250	3,036	(1,786)
Community Awareness	400	504	(104)
Radio Maintenance	2,750	2,477	273
Equipment Replacement	2,500	2,183	317
Association Fees	700	515	185
Chief's Expenses	500	318	182
Safety Compliance	150	52	98
Investment Costs	16,000	14,968	1,032
Prisoner Transport	1,500	0	1,500
Towing	200	350	(150)
Applicant Advertising	200	2,772	(2,572)
GHS Equipment Grant Expenses	5,000	620	4,380
Vest Grant Expenses	1,000	90	910
Total Police Department	762,323	736,853	25,470

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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, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Public Safety Facility:			
Electricity	\$ 21,000	\$ 27,688	\$ (6,688)
Heat	16,000	0	16,000
Fire Alarm	1,000	450	550
Water	2,000	1,797	203
Sewer	972	972	0
Building Maintenance	35,000	36,874	(1,874)
Total Public Safety Facility	75,972	67,781	8,191
Old Fire House:			
Electricity	2,000	1,268	732
Water	1,300	849	451
Sewer	600	608	(8)
Fire Alarm/Internet	1,180	4,747	(3,567)
Building Maintenance	3,500	4,169	(669)
Heating Oil	4,000	3,129	871
Janitorial	1,100	2,970	(1,870)
Total Old Fire House	13,680	17,740	(4,060)
Fire Department:			
Chief's Salary	75,803	75,803	0
Assistant Chief's Salary	2,752	2,752	0
Labor	37,779	36,298	1,481
Officers' Salary	3,390	3,322	68
Emergency Operations Center Personnel	750	0	750
Emergency Operations Center Setup	500	0	500
Telephone	6,133	5,085	1,048
Firefighters' Association	700	610	90
Administrative Costs	6,000	2,701	3,299
Training/Incentives	3,500	1,198	2,302
Radio Maintenance	2,500	2,748	(248)
Code Compliance	250	0	250
Air Packs	2,500	310	2,190
Truck Maintenance	6,300	10,789	(4,489)
Gas & Oil	4,500	2,438	2,062
Building Maintenance	0	7	(7)
Extinguisher - Recharge	275	123	152
Equipment - New & Replacement	4,000	3,592	408
Helmets/Boots/Coats	5,000	64	4,936
Hose	4,100	3,962	138
Foam	700	0	700
Fire Prevention Education	750	233	517
Travel Expenses	2,000	880	1,120
Fire Chief Uniform	250	225	25
Dispatch Assessment - Wilmington	51,000	49,926	1,074
Dispatch Assessment - Searsburg	6,700	6,615	85
Total Fire Department	228,132	209,681	18,451

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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, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Green Mountain Beach:			
Mowing	\$ 750	\$ 400	\$ 350
Maintenance & Improvements	900	502	398
Toilets	800	603	197
Lake Raponda Dam	10,000	4,255	5,745
Total Green Mountain Beach	12,450	5,760	6,690
Insurance:			
Employment Practices	9,200	9,216	(16)
Liability, Property & Auto	56,000	60,614	(4,614)
Public Officials Liability	2,500	2,214	286
Firemens Disability	1,300	1,395	(95)
Workers Compensation	50,000	47,820	2,180
Total Insurance	119,000	121,259	(2,259)
Health & Social Services:			
Health Officer	1,896	1,896	0
Senior Solutions	800	800	0
Vermont Bar Foundation	600	600	0
Groundworks Collaborative	1,500	1,500	0
Health Care & Rehabilitation	155	155	0
Windham County Youth Service	300	300	0
Womens Freedom Center	850	0	850
Visiting Nurse Alliance	6,000	0	6,000
Gathering Place	3,000	3,000	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
Kids Country Day Care	7,000	7,000	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	0	500
Rescue	30,000	30,000	0
Safe Place	750	750	0
Grace Cottage	1,000	1,000	0
Total Health & Social Services	85,351	78,001	7,350

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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, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Employee Benefits:			
Social Security	\$ 94,646	\$ 100,789	\$ (6,143)
Health Care	360,000	380,740	(20,740)
Disability/Life Insurance	3,500	3,472	28
Retirement	103,398	96,575	6,823
Employment Security	500	0	500
Total Employee Benefits	562,044	581,576	(19,532)
Groundskeeper:	8,366	8,256	110
Transfer Station:			
Operator	47,960	51,687	(3,727)
Management District Assessment	15,557	15,557	0
Electricity/Heat	3,000	2,082	918
Telephone	1,200	1,022	178
Post-closure Expenses	500	0	500
Metal Recycling	0	2,494	(2,494)
Tire Recycling	1,500	1,230	270
Disposal & Containers	95,000	111,312	(16,312)
Recycling	58,000	48,145	9,855
Maintenance/Improvements/Supplies	2,300	4,166	(1,866)
Miscellaneous/Office Supplies	300	0	300
Total Transfer Station	225,317	237,695	(12,378)
Legal/Professional/Audit:			
Legal Fees - Tax Sale	5,000	14,524	(9,524)
Legal - General Matters	25,000	25,139	(139)
Legal - Zoning Enforcement	750	5,012	(4,262)
Legal - Human Resources	200	0	200
Zoning Appeals	100	0	100
Legal - Reappraisal	5,000	0	5,000
Audit	18,500	24,000	(5,500)
Total Legal/Professional/Audit	54,550	68,675	(14,125)
Library:			
Library USRDA Grant Remittance	0	35,700	(35,700)
Library Appropriation	154,000	154,000	0
Total Library	154,000	189,700	(35,700)
Memorial Day:	400	0	400

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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, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Memorial Hall:			
Electricity	\$ 2,000	\$ 2,214	\$ (214)
Water	1,400	1,451	(51)
Sewer	1,200	1,216	(16)
Maintenance	4,000	2,664	1,336
Grounds	1,200	1,638	(438)
Heat	2,500	4,462	(1,962)
Fire Alarm/Phone/Internet	2,300	6,388	(4,088)
Insurance	2,200	3,261	(1,061)
Cleaning/Janitorial	5,000	3,675	1,325
Total Memorial Hall	21,800	26,969	(5,169)
Planning Commission:			
Windham Regional Dues	4,400	5,773	(1,373)
Manuals/Resource Materials	400	0	400
Public Notices	450	251	199
Postage	100	85	15
Training Expenses	250	70	180
Total Planning Commission	5,600	6,179	(579)
Recreation Commission:			
Elementary Program Director	3,020	3,020	0
Elementary Counselors	3,943	3,943	0
MS Program Directors	3,900	4,770	(870)
MS Art Director	300	0	300
MS Counselors	3,910	2,913	997
MS Assistant Director	0	140	(140)
Elementary Programs	850	850	0
MS Supplies	850	904	(54)
Rec Projects/Programs	16,000	13,822	2,178
Portable Toilets	1,700	1,630	70
Green Up Day	175	100	75
Beautification Committee	2,000	461	1,539
Flowers/Barrels	22,157	22,157	0
Tennis Courts	4,000	0	4,000
Valley Youth Sports	7,000	7,000	0
Total Recreation Commission	69,805	61,710	8,095
Selectpersons Contingency:			
Miscellaneous	2,500	1,965	535
Economic Development	81,826	79,214	2,612
Street Lights	15,100	16,435	(1,335)
County Court Taxes	70,000	97,906	(27,906)
Total Selectpersons Contingency	169,426	195,520	(26,094)

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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, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Town Hall:			
Electricity	\$ 8,000	\$ 4,312	\$ 3,688
Heat	7,000	6,960	40
Supplies	1,500	1,961	(461)
Fire Alarm	600	4,193	(3,593)
Water	1,840	1,846	(6)
Sewer	1,600	1,610	(10)
Maintenance	6,500	8,736	(2,236)
Elevator	2,700	200	2,500
Janitorial and Carting	16,000	18,925	(2,925)
Town Reports	1,100	2,016	(916)
Vermont League of Cities and Towns Dues	3,935	3,935	0
Web Site/Newsletter	800	1,698	(898)
Total Town Hall	51,575	56,392	(4,817)
Capital, One-time and Special:			
Town Hall Capital Fund	20,000	20,000	0
Memorial Hall Capital Fund	20,000	20,000	0
Reappraisal Fund	26,792	26,962	(170)
Public Lands and Fences Capital Fund	20,000	20,000	0
Old Fire House Capital Fund	10,000	10,000	0
Transfer Station Capital Fund	5,000	5,000	0
Library Capital Fund	12,000	12,000	0
Fire Department Equipment Capital Fund	150,000	150,000	0
Police Equipment Capital Fund	20,000	20,000	0
Route 9 Expansion Project Bond	0	1,340	(1,340)
Public Safety Building Bond	373,934	373,934	0
Total Capital, One-time and Special	657,726	659,236	(1,510)
Total Cash Disbursements	3,949,208	3,965,395	(16,187)
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	\$ <u>(428,000)</u>	(253,986)	\$ <u>174,014</u>

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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, 2024

	<u>Actual</u>
Adjustments to Reconcile from the Budgetary Basis of Accounting to the Modified Cash Basis of Accounting:	
Town Trails Reserve Fund Income	\$ 101,673
Animal Control Fund Income	1,616
Animal Control Fund Expenses	(1,009)
Grant Fund Income	44,398
Grant Fund Expenses	(24,884)
Green Mountain Beach Timber Fund Income	15
Revenue Sharing Fund Income	4
HRA/FSA Fund Expenses	(2,812)
Unbudgeted Transfer from ARPA Fund	409,512
Unbudgeted Transfer to Public Lands and Fences Capital Fund	(29,304)
Unbudgeted Transfer to Water Fund	(204,756)
Unbudgeted Transfer to Sewer Fund	<u>(204,756)</u>
Net Change in Fund Balance	(164,289)
Fund Balance - July 1, 2023	<u>701,961</u>
Fund Balance - June 30, 2024	\$ <u><u>537,672</u></u>

The reconciling items are due to combining six (6) funds, the Town Trails Reserve Fund, the Animal Control Fund, the Grant Fund, the Green Mountain Beach Timber Fund, the Revenue Sharing Fund and the HRA/FSA Fund, with the General Fund in order to comply with GASB Statement No. 54 and unbudgeted transfers.

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, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Cash Receipts:			
Tax Collections	\$ 1,859,549	\$ 1,859,549	\$ 0
Permits	100	1,380	1,280
State Aid	146,700	151,087	4,387
Grant Income	30,000	52,929	22,929
Miscellaneous Income	250	12,680	12,430
FEMA Reimbursement	0	4,691	4,691
Interest	400	10,353	9,953
Total Cash Receipts	2,036,999	2,092,669	55,670
Cash Disbursements:			
Highway Salaries	426,386	430,575	(4,189)
Highway Superintendent	79,812	79,812	0
Unscheduled Overtime	37,000	15,577	21,423
Society Security	41,555	33,556	7,999
Health Insurance	185,000	212,574	(27,574)
Disability Insurance	2,300	2,309	(9)
Retirement	36,666	35,467	1,199
Uniforms	3,100	3,575	(475)
Fire Alarm	250	4,193	(3,943)
Workers Compensation	33,200	31,824	1,376
Municipal Parking Maintenance	2,500	3,600	(1,100)
Culverts	21,000	26,841	(5,841)
Guardrails	10,000	0	10,000
Chloride	22,000	16,358	5,642
Gravel/Stone/Fabric	130,000	142,640	(12,640)
Resurfacing	340,000	338,658	1,342
Salt	65,000	65,527	(527)
Sand	95,000	71,196	23,804
Snow Removal	37,500	44,239	(6,739)
Signs	2,200	4,610	(2,410)
Crack Sealing	18,000	18,000	0
Stabilization/Fabric/Hay	7,000	20,465	(13,465)
Maintenance to Equipment	60,700	62,910	(2,210)
Fuel	59,000	77,260	(18,260)
Rental/Contracted	9,000	10,289	(1,289)
Training	100	143	(43)
Electricity	2,900	2,439	461
Tools & Supplies	20,100	17,958	2,142
Personal Protective Equipment	1,500	3,526	(2,026)
Telephone	4,000	3,695	305
Advertising	550	442	108
Insurance - Vehicles/Buildings	21,000	21,533	(533)
Computer/Office Supplies	800	311	489
Sewer	880	880	0

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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, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Cash Disbursements/(Cont'd):			
MRGP Permit	\$ 1,400	\$ 1,350	\$ 50
Building/Maintenance/Improvements	5,600	10,878	(5,278)
Heating	8,000	4,642	3,358
Better Back Roads Grant Expenses	0	6,088	(6,088)
Grants-in-Aid Grant Expenses	0	841	(841)
Transfer to Bridge Capital Fund	160,000	160,000	0
Transfer to Town Road Equipment Capital Fund	180,000	180,000	0
Transfer to Highway Building Capital Fund	<u>20,000</u>	<u>20,000</u>	<u>0</u>
Total Cash Disbursements	<u>2,150,999</u>	<u>2,186,781</u>	<u>(35,782)</u>
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	\$ <u><u>(114,000)</u></u>	(94,112)	\$ <u><u>19,888</u></u>
Fund Balance - July 1, 2023		<u>250,662</u>	
Fund Balance - June 30, 2024		\$ <u><u>156,550</u></u>	

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TOWN OF WILMINGTON, VERMONT
 COMBINING SCHEDULE OF MODIFIED CASH BASIS
 ASSETS, LIABILITIES AND FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2024

	Special Revenue Funds	Capital Projects Funds	Permanent Fund Davenport Legacy Fund	Total
<u>ASSETS</u>				
Cash	\$ 76,846	\$ 129,565	\$ 433	\$ 206,844
Investments	56,665	0	0	56,665
Due from Other Funds	<u>356,191</u>	<u>1,214,356</u>	<u>0</u>	<u>1,570,547</u>
Total Assets	\$ <u>489,702</u>	\$ <u>1,343,921</u>	\$ <u>433</u>	\$ <u>1,834,056</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Fund Balances:				
Nonspendable	0	0	425	425
Restricted	137,205	24,005	8	161,218
Committed	351,525	1,269,916	0	1,621,441
Assigned	<u>972</u>	<u>50,000</u>	<u>0</u>	<u>50,972</u>
Total Fund Balances	<u>489,702</u>	<u>1,343,921</u>	<u>433</u>	<u>1,834,056</u>
Total Liabilities and Fund Balances	\$ <u>489,702</u>	\$ <u>1,343,921</u>	\$ <u>433</u>	\$ <u>1,834,056</u>

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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, 2024

	Special Revenue Funds	Capital Projects Funds	Permanent Fund Davenport Legacy Fund	Total
Cash Receipts:				
Intergovernmental	\$ 26,962	\$ 120,539	\$ 0	\$ 147,501
Charges for Services	26,100	2,813	0	28,913
Permits, Licenses and Fees	15,575	0	0	15,575
Loan Repayments	13,145	0	0	13,145
Investment Income	24,431	43,047	1	67,479
Donations	258	22,066	0	22,324
Other	0	1,405	0	1,405
Total Cash Receipts	106,471	189,870	1	296,342
Cash Disbursements:				
General Government	6,651	35	0	6,686
Public Safety	575	0	0	575
Cemetery	79,537	0	0	79,537
Capital Outlay:				
General Government	0	66,964	0	66,964
Public Safety	0	107,069	0	107,069
Highways and Streets	0	461,980	0	461,980
Solid Waste	0	15,317	0	15,317
Debt Service:				
Principal	0	35,860	0	35,860
Interest	0	4,250	0	4,250
Total Cash Disbursements	86,763	691,475	0	778,238
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	19,708	(501,605)	1	(481,896)
Other Financing Sources/(Uses):				
Proceeds from Sale of Equipment	0	13,914	0	13,914
Transfers In	42,000	635,332	0	677,332
Transfers Out	(409,512)	(1,028)	0	(410,540)
Total Other Financing Sources/(Uses)	(367,512)	648,218	0	280,706
Net Change in Fund Balances	(347,804)	146,613	1	(201,190)
Fund Balances - July 1, 2023, As Previously Reported	837,506	919,302	432	1,757,240
Change within Financial Reporting Entity (Major to Non-Major Fund)	0	278,006	0	278,006
Fund Balances - July 1, 2023, As Adjusted	837,506	1,197,308	432	2,035,246
Fund Balances - June 30, 2024	\$ 489,702	\$ 1,343,921	\$ 433	\$ 1,834,056

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TOWN OF WILMINGTON, VERMONT
 COMBINING SCHEDULE OF MODIFIED CASH BASIS ASSETS, LIABILITIES AND FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2024

	Records Restoration Fund	Reappraisal Fund	ARPA Fund	Law Enforcement Trust Fund	Beautification Fund	Dry Hydrant Grant Fund	Energy Efficient Reserve Fund	Cemetery Fund	Economic Development Fund	Revolving Loan Fund	Town Gathering Place Fund	Police Department Conflict Fund	Total
ASSETS													
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 76,626	\$ 213	\$ 0	\$ 0	\$ 7	\$ 76,846
Investment	0	0	0	0	0	0	0	56,665	0	0	0	0	56,665
Due from Other Funds	<u>122,478</u>	<u>140,562</u>	<u>0</u>	<u>2,702</u>	<u>3,918</u>	<u>6,947</u>	<u>1,160</u>	<u>0</u>	<u>0</u>	<u>77,459</u>	<u>965</u>	<u>0</u>	<u>356,191</u>
Total Assets	<u>\$ 122,478</u>	<u>\$ 140,562</u>	<u>\$ 0</u>	<u>\$ 2,702</u>	<u>\$ 3,918</u>	<u>\$ 6,947</u>	<u>\$ 1,160</u>	<u>\$ 133,291</u>	<u>\$ 213</u>	<u>\$ 77,459</u>	<u>\$ 965</u>	<u>\$ 7</u>	<u>\$ 489,702</u>
LIABILITIES AND FUND BALANCES													
Liabilities:	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fund Balances:													
Restricted	122,478	0	0	2,702	3,918	6,947	1,160	0	0	0	0	0	137,205
Committed	0	140,562	0	0	0	0	0	133,291	213	77,459	0	0	351,525
Assigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>965</u>	<u>7</u>	<u>972</u>
Total Fund Balances	<u>122,478</u>	<u>140,562</u>	<u>0</u>	<u>2,702</u>	<u>3,918</u>	<u>6,947</u>	<u>1,160</u>	<u>133,291</u>	<u>213</u>	<u>77,459</u>	<u>965</u>	<u>7</u>	<u>489,702</u>
Total Liabilities and Fund Balances	<u>\$ 122,478</u>	<u>\$ 140,562</u>	<u>\$ 0</u>	<u>\$ 2,702</u>	<u>\$ 3,918</u>	<u>\$ 6,947</u>	<u>\$ 1,160</u>	<u>\$ 133,291</u>	<u>\$ 213</u>	<u>\$ 77,459</u>	<u>\$ 965</u>	<u>\$ 7</u>	<u>\$ 489,702</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, 2024

	Records Restoration Fund	Reappraisal Fund	ARPA Fund	Law Enforcement Trust Fund	Beautification Fund	Dry Hydrant Grant Fund	Energy Efficient Reserve Fund	Cemetery Fund	Economic Development Fund	Revolving Loan Fund	Town Gathering Place Fund	Police Department Conflict Fund	Total
Cash Receipts:													
Intergovernmental	\$ 0	\$ 26,962	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 26,962
Charges for Services	0	0	0	0	0	0	0	26,100	0	0	0	0	26,100
Permits, Licenses and Fees	14,994	0	0	0	0	0	0	581	0	0	0	0	15,575
Loan Repayments	0	0	0	0	0	0	0	0	0	13,145	0	0	13,145
Investment Income	3,627	3,546	12,532	0	120	213	35	4,357	1	0	0	0	24,431
Donations	0	0	0	258	0	0	0	0	0	0	0	0	258
Total Cash Receipts	<u>18,621</u>	<u>30,508</u>	<u>12,532</u>	<u>258</u>	<u>120</u>	<u>213</u>	<u>35</u>	<u>31,038</u>	<u>1</u>	<u>13,145</u>	<u>0</u>	<u>0</u>	<u>106,471</u>
Cash Disbursements:													
General Government	6,651	0	0	0	0	0	0	0	0	0	0	0	6,651
Public Safety	0	0	0	524	0	51	0	0	0	0	0	0	575
Cemetery	0	0	0	0	0	0	0	79,537	0	0	0	0	79,537
Total Cash Disbursements	<u>6,651</u>	<u>0</u>	<u>0</u>	<u>524</u>	<u>0</u>	<u>51</u>	<u>0</u>	<u>79,537</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>86,763</u>
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	<u>11,970</u>	<u>30,508</u>	<u>12,532</u>	<u>(266)</u>	<u>120</u>	<u>162</u>	<u>35</u>	<u>(48,499)</u>	<u>1</u>	<u>13,145</u>	<u>0</u>	<u>0</u>	<u>19,708</u>
Other Financing Sources/(Uses):													
Transfers In	0	0	0	0	0	0	0	42,000	0	0	0	0	42,000
Transfers Out	0	0	(409,512)	0	0	0	0	0	0	0	0	0	(409,512)
Total Other Financing Sources/(Uses)	<u>0</u>	<u>0</u>	<u>(409,512)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>42,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(367,512)</u>
Net Change in Fund Balances	11,970	30,508	(396,980)	(266)	120	162	35	(6,499)	1	13,145	0	0	(347,804)
Fund Balances - July 1, 2023	<u>110,508</u>	<u>110,054</u>	<u>396,980</u>	<u>2,968</u>	<u>3,798</u>	<u>6,785</u>	<u>1,125</u>	<u>139,790</u>	<u>212</u>	<u>64,314</u>	<u>965</u>	<u>7</u>	<u>837,506</u>
Fund Balances - June 30, 2024	<u>\$ 122,478</u>	<u>\$ 140,562</u>	<u>\$ 0</u>	<u>\$ 2,702</u>	<u>\$ 3,918</u>	<u>\$ 6,947</u>	<u>\$ 1,160</u>	<u>\$ 133,291</u>	<u>\$ 213</u>	<u>\$ 77,459</u>	<u>\$ 965</u>	<u>\$ 7</u>	<u>\$ 489,702</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, 2024

	Town Hall Capital Fund	Memorial Hall Capital Fund	Public Lands and Fences Capital Fund	Fire Department Equipment Capital Fund	Old Fire House Capital Fund	Transfer Station Capital Fund	Police Equipment Capital Fund	Bridge Capital Fund	Town Road Equipment Capital Fund	Highway Building Capital Fund	Planning and Acquisition Capital Fund	School Field Capital Fund	Veteran's Memorial Park Fund	Total
<u>ASSETS</u>														
Cash	\$ 0	\$ 0	\$ 31,218	\$ 97,440	\$ 683	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 224	\$ 129,565
Due from Other Funds	<u>24,040</u>	<u>112,297</u>	<u>19,203</u>	<u>318,932</u>	<u>0</u>	<u>16,717</u>	<u>56,827</u>	<u>116,753</u>	<u>168,947</u>	<u>15,793</u>	<u>291,066</u>	<u>0</u>	<u>73,781</u>	<u>1,214,356</u>
Total Assets	<u>\$ 24,040</u>	<u>\$ 112,297</u>	<u>\$ 50,421</u>	<u>\$ 416,372</u>	<u>\$ 683</u>	<u>\$ 16,717</u>	<u>\$ 56,827</u>	<u>\$ 116,753</u>	<u>\$ 168,947</u>	<u>\$ 15,793</u>	<u>\$ 291,066</u>	<u>\$ 0</u>	<u>\$ 74,005</u>	<u>\$ 1,343,921</u>
<u>LIABILITIES AND FUND BALANCES</u>														
Liabilities:	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fund Balances:														
Restricted	0	0	0	0	0	0	0	0	0	0	0	0	24,005	24,005
Committed	24,040	112,297	50,421	416,372	683	16,717	56,827	116,753	168,947	15,793	291,066	0	0	1,269,916
Assigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>
Total Fund Balances	<u>24,040</u>	<u>112,297</u>	<u>50,421</u>	<u>416,372</u>	<u>683</u>	<u>16,717</u>	<u>56,827</u>	<u>116,753</u>	<u>168,947</u>	<u>15,793</u>	<u>291,066</u>	<u>0</u>	<u>74,005</u>	<u>1,343,921</u>
Total Liabilities and Fund Balances	<u>\$ 24,040</u>	<u>\$ 112,297</u>	<u>\$ 50,421</u>	<u>\$ 416,372</u>	<u>\$ 683</u>	<u>\$ 16,717</u>	<u>\$ 56,827</u>	<u>\$ 116,753</u>	<u>\$ 168,947</u>	<u>\$ 15,793</u>	<u>\$ 291,066</u>	<u>\$ 0</u>	<u>\$ 74,005</u>	<u>\$ 1,343,921</u>

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, 2024

	Town Hall Capital Fund	Memorial Hall Capital Fund	Public Lands and Fences Capital Fund	Fire Department Equipment Capital Fund	Old Fire House Capital Fund	Transfer Station Capital Fund	Police Equipment Capital Fund	Bridge Capital Fund	Town Road Equipment Capital Fund	Highway Building Capital Fund	Planning and Acquisition Capital Fund	School Field Capital Fund	Veteran's Memorial Park Fund	Total
Cash Receipts:														
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 120,539	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 120,539
Charges for Services	0	0	0	0	0	2,813	0	0	0	0	0	0	0	2,813
Investment Income	1,018	3,391	124	10,421	8	703	1,979	3,384	9,364	485	10,231	0	1,939	43,047
Donations	0	0	0	0	0	0	0	0	0	0	0	0	22,066	22,066
Other	0	0	0	0	0	0	855	0	0	0	550	0	0	1,405
Total Cash Receipts	1,018	3,391	124	10,421	8	3,516	2,834	123,923	9,364	485	10,781	0	24,005	189,870
Cash Disbursements:														
General Government	0	0	35	0	0	0	0	0	0	0	0	0	0	35
Capital Outlay:														
General Government	66,964	0	0	0	0	0	0	0	0	0	0	0	0	66,964
Public Safety	0	0	0	32,874	12,219	0	23,897	0	0	0	38,079	0	0	107,069
Highways and Streets	0	0	0	0	0	0	0	146,333	305,885	9,762	0	0	0	461,980
Solid Waste	0	0	0	0	0	15,317	0	0	0	0	0	0	0	15,317
Debt Service:														
Principal	0	0	0	0	0	0	0	0	35,860	0	0	0	0	35,860
Interest	0	0	0	0	0	0	0	0	4,250	0	0	0	0	4,250
Total Cash Disbursements	66,964	0	35	32,874	12,219	15,317	23,897	146,333	345,995	9,762	38,079	0	0	691,475
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	(65,946)	3,391	89	(22,453)	(12,211)	(11,801)	(21,063)	(22,410)	(336,631)	(9,277)	(27,298)	0	24,005	(501,605)
Other Financing Sources/(Uses):														
Proceeds from Sale of Equipment	0	0	0	10,819	0	0	0	0	3,095	0	0	0	0	13,914
Transfers In	20,000	20,000	50,332	150,000	10,000	5,000	20,000	160,000	180,000	20,000	0	0	0	635,332
Transfers Out	0	0	0	0	0	0	0	0	0	0	0	(1,028)	0	(1,028)
Total Other Financing Sources/(Uses)	20,000	20,000	50,332	160,819	10,000	5,000	20,000	160,000	183,095	20,000	0	(1,028)	0	648,218
Net Change in Fund Balances	(45,946)	23,391	50,421	138,366	(2,211)	(6,801)	(1,063)	137,590	(153,536)	10,723	(27,298)	(1,028)	24,005	146,613
Fund Balances - July 1, 2023, As Previously Reported	69,986	88,906	0	0	2,894	23,518	57,890	(20,837)	322,483	5,070	318,364	1,028	50,000	919,302
Change within Financial Reporting Entity (Major to Non-Major Fund)	0	0	0	278,006	0	0	0	0	0	0	0	0	0	278,006
Fund Balances - July 1, 2023, As Adjusted	69,986	88,906	0	278,006	2,894	23,518	57,890	(20,837)	322,483	5,070	318,364	1,028	50,000	1,197,308
Fund Balances - June 30, 2024	\$ 24,040	\$ 112,297	\$ 50,421	\$ 416,372	\$ 683	\$ 16,717	\$ 56,827	\$ 116,753	\$ 168,947	\$ 15,793	\$ 291,066	\$ 0	\$ 74,005	\$ 1,343,921

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
2 East Main Street
P.O. Box 217
Wilmington, VT 05363

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, 2024 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 2, 2025. 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 the omission of the Wilmington Library Fund from the governmental activities and the aggregate remaining fund information.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, 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 our 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Deficiencies in Internal Control as Item 2024-001, that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Wilmington, Vermont's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 included with 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 performed 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 2, 2025
Montpelier, Vermont
VT Lic. #92-000180

TOWN OF WILMINGTON, VERMONT
SCHEDULE OF FINDINGS AND DEFICIENCIES IN INTERNAL CONTROL
JUNE 30, 2024

Deficiencies in Internal Control:

Material Weaknesses:

2024-001 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 implement controls to ensure that all of the cash collected is being handed over to them by the transfer station employees.

Town of

Wilmington

(802) 464-8591 (Voice)
(802) 464-8477 (FAX)
www.wilmingtonvermont.us

TO: Marshall Dix, Highway Superintendent
Transfer Station Attendants

FROM: Scott A. Tucker, Town Manager

DATE: April 18, 2025

RE: Transfer Station – Mandatory Issuance of Receipts

The Town of Wilmington received its audit on April 10, 2024, conducted by Sullivan, Powers & Co., P.C. for FY-2023, and we anticipate the FY-2024 audit very soon. One category titled, Deficiencies in Internal Control, cites 2023-01 Transfer Station Revenues, as a material weakness last year, and we anticipate the same this year. We have noticed improvements this past year cited by employees and Selectboard members who use the Transfer Station, and supported by Supt. Dix that you continue the practice of printing and issuing receipts for all transactions.

The audit criteria states, "Internal controls over transfer station revenues should be in place, so that no individual can both perpetrate and conceal errors or irregularities." The report explains the condition, effect and recommendations. On April 16th, 2024, we held an in-person meeting to discuss this finding and the general operation of the Transfer Station.

Transfer Station Attendants shall consistently utilize the cash register with receipts issued to all customers. In addition, management reconciles the cash receipts to the actual cash collected by the Administrative Assistant and/or Finance, on a weekly basis. Finally, a sign is conspicuously placed that states words to the effect that 'Customers Must Take a Receipt. Thank-You. Town of Wilmington.'

I appreciate your assistance in this matter and thank-you for your efforts in customer service.


Scott A. Tucker
Town Manager

Cc: Christine Richter, Finance Officer
Jessica Archambault, Administrative Assistant