

CITY OF BARRE, VERMONT

**AUDIT REPORT AND REPORTS ON
COMPLIANCE AND INTERNAL CONTROL**

JUNE 30, 2024

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AUDIT REPORT
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Sullivan, Powers & Co., P.C.

Certified Public Accountants

77 Barre Street
P.O. Box 947
Montpelier, VT 05601
802/223-2352
www.sullivanpowers.com

Richard J. Brigham, CPA
Chad A. Hewitt, CPA
Jordon M. Plummer, CPA
VT Lic. #92-000180

Independent Auditor's Report

City Council
City of Barre, Vermont
City Hall, 6 North Main Street, Suite 2
Barre, Vermont 05641

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barre, Vermont, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Barre, Vermont's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barre, Vermont, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for 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 City of Barre, 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 audit opinions.

Change in Accounting Principle

As described in Note I.F. to the financial statements, in 2024, the City 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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 City of Barre, 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 City of Barre, 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 City of Barre, 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 15, the budgetary comparison information on Schedule 1, the Schedule of Proportionate Share of the Net Pension Liability on Schedule 2 and the Schedule of Contributions on Schedule 3 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Barre, Vermont's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. "Code of Federal Regulations" Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards", is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Barre, Vermont's basic financial statements. 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 March 20, 2025, on our consideration of the City of Barre, Vermont’s internal control over financial reporting and on 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 City of Barre, 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 City of Barre, Vermont’s internal control over financial reporting and compliance.

Sullivan, Powers & Co.

March 20, 2025
Montpelier, Vermont
VT Lic. #92-000180

CITY OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

As management of the City of Barre, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2024. The purpose of the management discussion and analysis is to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position, (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

FINANCIAL HIGHLIGHTS

Government-wide Statements (refer to Exhibits A and B)

- The assets and deferred outflows of resources of the City of Barre exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$52,687,638 (total net position). Of this amount, a combined unrestricted net position is a surplus of \$1,307,117 and \$3,614,456 represent resources that are subject to external restrictions on how they may be used.
- The City's total net position increased by \$1,803,910. Of this amount, net position of the governmental activities increased by \$1,785,204 and net position attributable to business-type activities increased by \$18,706.
- The City's total outstanding long-term debt decreased by \$960,003 during the current fiscal year, comprised of \$603,721 of new debt and \$1,563,724 in principal payments and debt forgiveness.

Fund Financial Statements (refer to Exhibit C, F, Schedule 4 and 12)

- Governmental funds contain many funds including General, Capital Improvement, Special Funds and Non-Major Funds.
 - Capital Improvement Fund – includes Streets, Sidewalks, and Capital Equipment Funds.
 - Special Fund – includes Re-appraisal, Donations, American Rescue Plan Act Funds, Opioid Settlement Funds, Russell Funds, Records Retention, and Grant funds.
 - Non-Major Governmental Funds – include Community Development, Police Special Revenues, Recreation Programs, Semprebon, TIF, Shade Tree Improvement, BOR Turf, and Cemetery Funds.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$8,300,863, an increase of \$2,019,536 in comparison with the prior year.
- The General Fund fund balance increased by \$1,054,881 in FY24. This was mainly due to the timing of the State Budget Adjustment Act Allocation. The City was also able to recognize vacancy savings, as the Permit Administrator position is still vacant, as well as several Police Department positions.
- The Capital Improvement Fund had an ending fund balance of \$2,784,946 of which \$2,369,343 is restricted for bond-approved projects, lease financing equipment purchases, and street and sidewalk reconstruction, capital equipment and capital improvement needs, \$341,192 is committed for capital improvement expenditures, \$9,200 is non-spendable inventory, leaving an assigned balance of \$65,211 to be used for capital improvement expenditures.
- The Special Fund fund balance increased by \$247,494 leaving an ending fund balance of \$996,805. This increase is mainly attributable to the receipt of opioid settlement funding, receipt of funding from a new donation fund, and interest earned on ARPA funds. While this fund balance increased in total, \$433,472 is restricted in large for records restoration, Civic Center improvements, and combating the opioid crisis, \$563,333 is assigned mainly for reappraisal expenses.
- The Non-Major Governmental Funds had a current year net change of \$355,379 leaving an ending fund balance of \$2,355,301. Of which, \$834,306 is Non-Expendable Cemetery Trust Funds, \$1,492,573 is restricted by external sources, and \$28,422 is assigned for Shade Tree Improvements and BOR Turf Expenditures.
- The Water Fund had a current year increase of \$430,808.
- The Sewer Fund operating expenses continue to exceed the revenues, resulting a current year loss of (\$412,102).

CITY OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, presented in three sections: government-wide financial statements, fund financial statements, and notes to the financial statements. In addition, this report also contains required supplementary information such as a general fund budget to actual comparison and combining financial statements.

The financial activities of the government unit are recorded in funds. A fund, generally, is a separate set of books for each major activity. Fund financial statements report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. There are two main operations referred to as general governmental activities, which are accounted for primarily in the general fund and supported in large part by property tax revenues, and business-type activities, which are supported by user fees, and are recorded in enterprise funds.

Government-Wide Financial Statements

The government-wide financial statements provide a general overview of the operations of the City presenting all data on the full accrual basis. There are two statements presented at the government-wide level: the Statement of Net Position and the Statement of Activities. Within each of these statements, the governmental activities are presented separately from the business-type activities. The governmental activities reflect the City's basic services; including general government, public safety, public works, community development, culture and recreation, and cemetery. The business-type activities of the City include the water and sewer fund.

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities reports how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused leave).

The government-wide financial statements include not only the City itself (referred to as the primary government), but also other legally separate entities for which the City is financially accountable (referred to as component units). During the period under audit, the City was not responsible for any entities that qualify as component units.

The government-wide financial statements can be found in Exhibits A and B.

Fund Financial Statements

A fund is a group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate finance-related legal compliance. The funds of the City are segregated into three categories: governmental funds, proprietary funds, and fiduciary funds.

CITY OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

Governmental funds focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. The governmental fund financial statements provide a detailed short-term view that helps determine financial resources that are available to finance the City's programs in the near future.

The City maintains three major governmental funds; the General Fund, the Capital Improvement Fund, and the Special Fund. In addition to this, the City maintains a number of Special Revenue Funds, Capital Project Funds and Permanent Funds which do not qualify as major funds. These funds are consolidated into the column title Non-Major Governmental Funds. Combining financial statements containing more detailed information on these funds may be found on Schedules 4 through 13.

The governmental fund financial statements can be found in Exhibits C through E. The City adopts an annual budget for its general fund. Schedule 1 is a budget to actual comparison statement demonstrating compliance with the adopted budget.

Proprietary funds account for a government's business-type activities. There are two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains two enterprise funds; the Water Fund and Sewer Fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among various functions. The City has no internal service funds at this time.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Funds. The proprietary fund financial statements may be found in Exhibits F through H.

Fiduciary funds account for resources for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the programs of the City. The fiduciary fund financial statements of the City can be found in Exhibit I & J.

Notes to the Financial Statements provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statement. The notes serve to explain, clarify, and expand upon the financial data presented in the financial statements. The notes are found immediately following the financial statements.

Supplementary information including a budgetary comparison statement for the general fund can be found immediately following the notes to the financial statements.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

CITY OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Governmental Activities		Business-type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
Assets:						
Cash, Restricted Cash, Cash Equivalents, Investments,						
Deposits held by Escrow Agent	\$ 12,338,966	\$ 10,257,581	\$ 1,514,692	\$ 1,655,399	\$ 13,853,658	\$ 11,912,980
Receivables, Net	1,936,579	979,801	2,490,155	1,563,383	4,426,734	2,543,184
Other Assets	(11,009)	(955,959)	597,974	1,722,068	586,965	766,109
Capital Assets	35,412,838	35,837,677	25,426,536	25,263,497	60,839,374	61,101,174
Total Assets	49,677,374	46,119,100	30,029,357	30,204,347	79,706,731	76,323,447
Deferred Outflow of Resources	1,611,779	2,014,107	213,058	254,563	1,824,837	2,268,670
Liabilities:						
Other Liabilities	5,200,292	3,509,972	1,005,359	686,352	6,205,651	4,196,324
Non-Current Liabilities	13,182,810	13,614,270	9,134,220	9,704,215	22,317,030	23,318,485
Total Liabilities	18,383,102	17,124,242	10,139,579	10,390,567	28,522,681	27,514,809
Deferred Inflow of Resources	283,741	171,859	37,508	21,721	321,249	193,580
Net Position:						
Net Investment in Capital Assets	29,438,877	29,529,694	18,327,188	17,669,457	47,766,065	47,199,151
Restricted	3,614,456	2,312,743	-	-	3,614,456	2,312,743
Unrestricted/(Deficit)	(431,023)	(1,005,331)	1,738,140	2,377,165	1,307,117	1,371,834
Total Net Position	\$ 32,622,310	\$ 30,837,106	\$ 20,065,328	\$ 20,046,622	\$ 52,687,638	\$ 50,883,728

As noted above, net position serves as a useful indicator of a government's financial position over time. At the end of the fiscal year, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$52,687,638. The City's total net position is split between governmental activities of \$32,622,310 and business-type activities net position of \$30,837,106.

The largest portion of the City's net position, 90.7%, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure (roads, bridges, etc.) less any related, outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

\$3,614,456 (6.9%) of the City's net position is restricted. These assets are subject to external restrictions on their use. The remaining is unrestricted surplus of \$1,307,117.

CITY OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

	Governmental Activities		Business-type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
Revenues & Transfers:						
Program Revenues:						
Charges for Services	\$ 1,922,233	\$ 1,776,874	\$ 5,904,016	\$ 6,000,674	\$ 7,826,249	\$ 7,777,548
Operating Grants & Contributions	3,171,566	1,690,594	428,024	37,500	3,599,590	1,728,094
Capital Grants & Contributions	473,738	164,303	25,350	52,665	499,088	216,968
General Revenues:						
Property & Local Option Taxes	12,118,872	11,365,103	-	-	12,118,872	11,365,103
Other	1,166,431	164,774	21,502	67,916	1,187,933	232,690
Total Revenues & Transfers	<u>18,852,840</u>	<u>15,161,648</u>	<u>6,378,892</u>	<u>6,158,755</u>	<u>25,231,732</u>	<u>21,320,403</u>
Expenses:						
General Government	2,053,089	2,139,942	-	-	2,053,089	2,139,942
Public Safety	7,039,363	6,986,593	-	-	7,039,363	6,986,593
Public Works	6,019,679	3,144,212	-	-	6,019,679	3,144,212
Culture and Recreation	1,228,208	1,159,883	-	-	1,228,208	1,159,883
Community Development	205,230	1,121,501	-	-	205,230	1,121,501
Cemetery	282,232	278,911	-	-	282,232	278,911
Interest on Long-term Debt	239,835	229,677	-	-	239,835	229,677
Water	-	-	2,695,397	2,660,219	2,695,397	2,660,219
Sewer	-	-	3,664,789	3,131,824	3,664,789	3,131,824
Total Expenses	<u>17,067,636</u>	<u>15,060,719</u>	<u>6,360,186</u>	<u>5,792,043</u>	<u>23,427,822</u>	<u>20,852,762</u>
Increase in Net Position	1,785,204	100,929	18,706	366,712	1,803,910	467,641
Beginning Net Position	<u>30,837,106</u>	<u>30,736,177</u>	<u>20,046,622</u>	<u>19,679,910</u>	<u>50,883,728</u>	<u>50,416,087</u>
Ending Net Position	<u>\$ 32,622,310</u>	<u>\$ 30,837,106</u>	<u>\$ 20,065,328</u>	<u>\$ 20,046,622</u>	<u>\$ 52,687,638</u>	<u>\$ 50,883,728</u>

Governmental activities

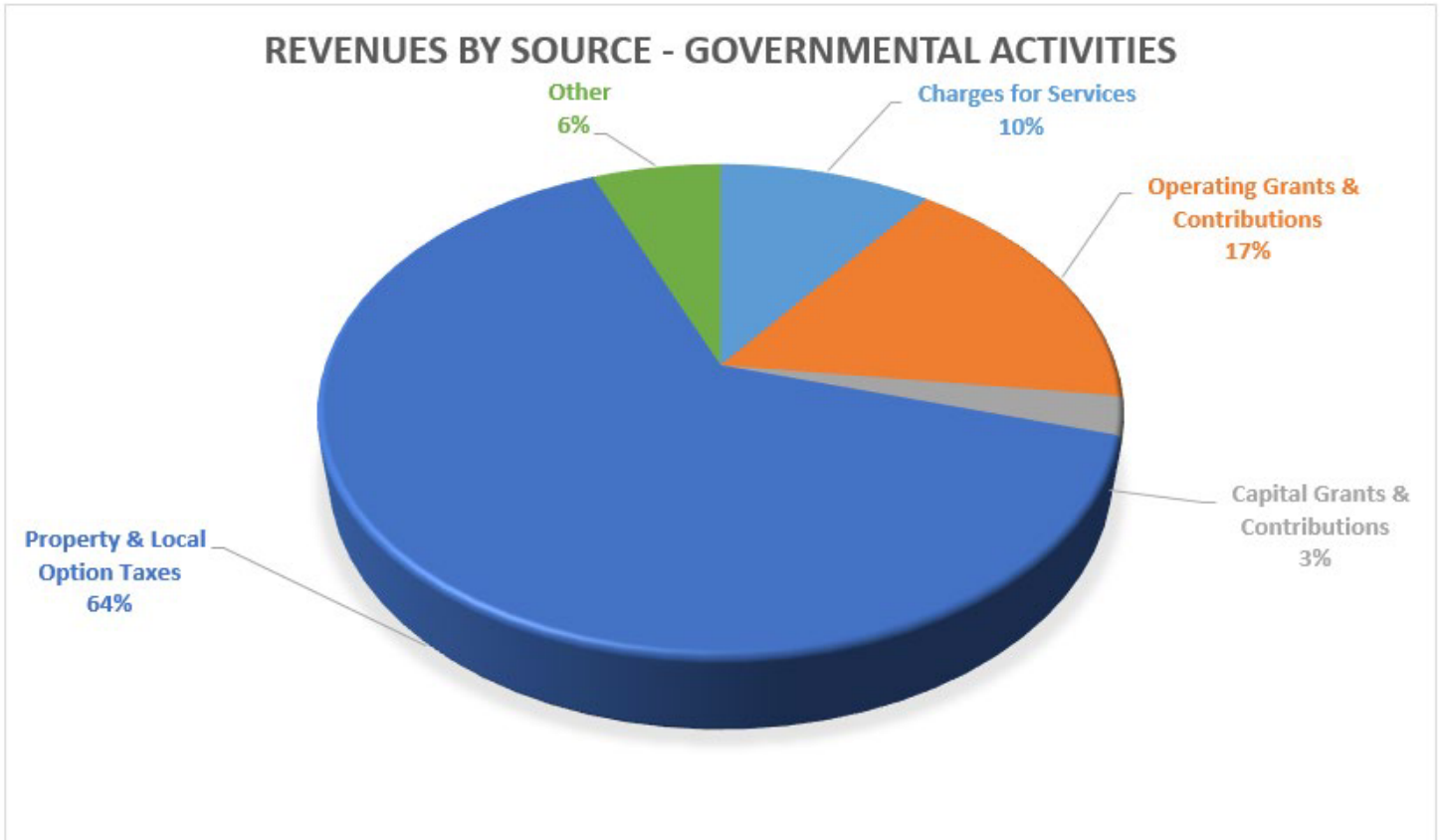
Governmental activities increased the City's net position by \$1,803,910 for the fiscal year ended June 30, 2024.

Key elements of the change are as follows:

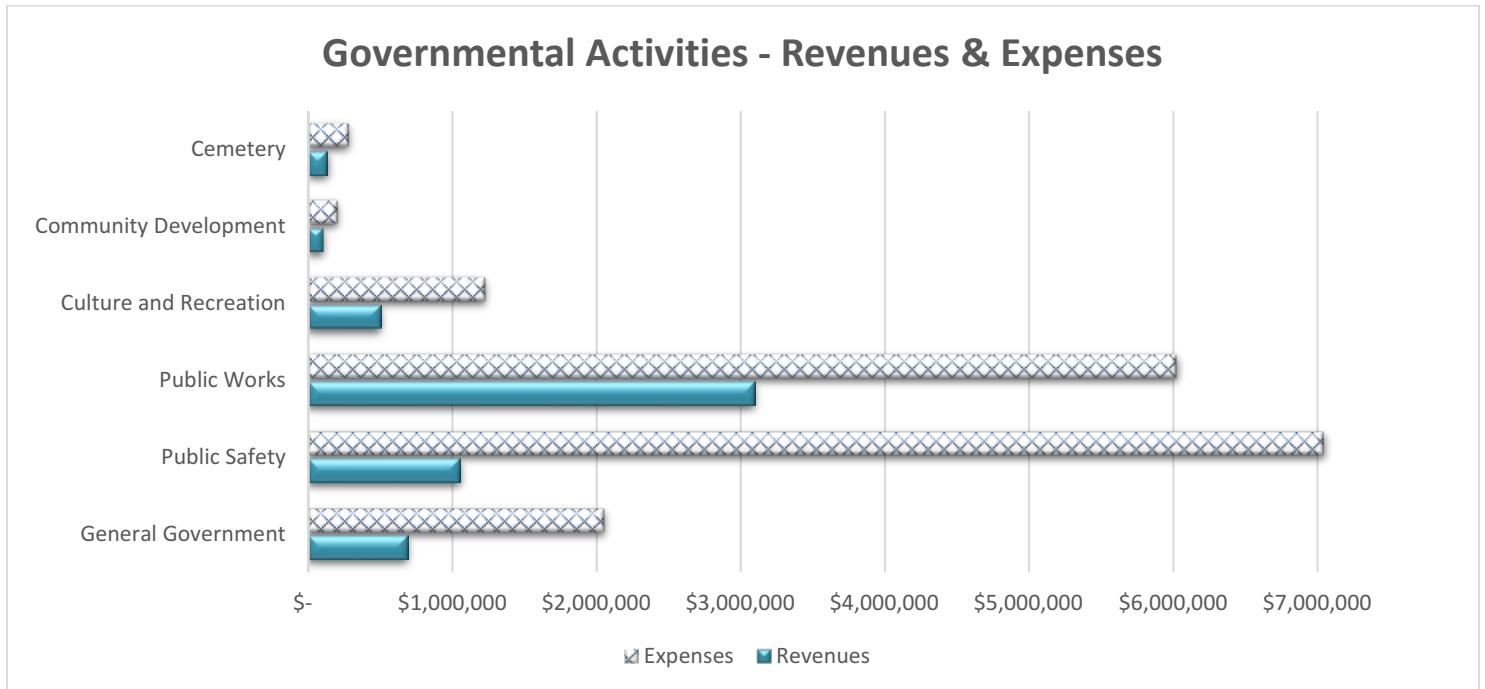
- Total governmental revenues increased by 24.35% or \$3,691,192 from 2023 to 2024. This was driven by an increase in property taxes, charges for services, and grants and contributions increased significantly from the prior year.
- Property and local option tax revenues increased 6.63% or \$753,769 from the previous year as a result of an increase of 4.53% in the property tax rate to \$2.1094 per \$100 of assessed value from \$2.0180 in 2023.
- Total governmental activities' expenses increased by 13.33% or \$2,006,917 from 2023 to 2024. Public safety remains the largest category of expenses year over year. Public safety expenses at the end of 2024 were \$7,039,363, which is an increase of .76% or \$52,770. Public works department expenditures increased significantly, \$2,875,467 or 91.45% year over year due to the July 2023 flood.

The majority of revenue for governmental activities comes from property and local option taxes; 64% of total revenue or \$12,118,872. Operating Grants & Contributions are the second largest category of revenue at 17% of total revenue or \$3,171,566. The following graph shows the distribution of governmental revenues by source.

CITY OF BARRE, VERMONT
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 JUNE 30, 2024



The following chart shows how major programs are funded. The revenues included in this graph are program specific revenues such as user fees, capital grants, and operating grants. General revenues such as property revenues and interest earnings are excluded. This chart indicates that program revenues do not support program expenses requiring property taxes to pay for the bulk of the expenses.

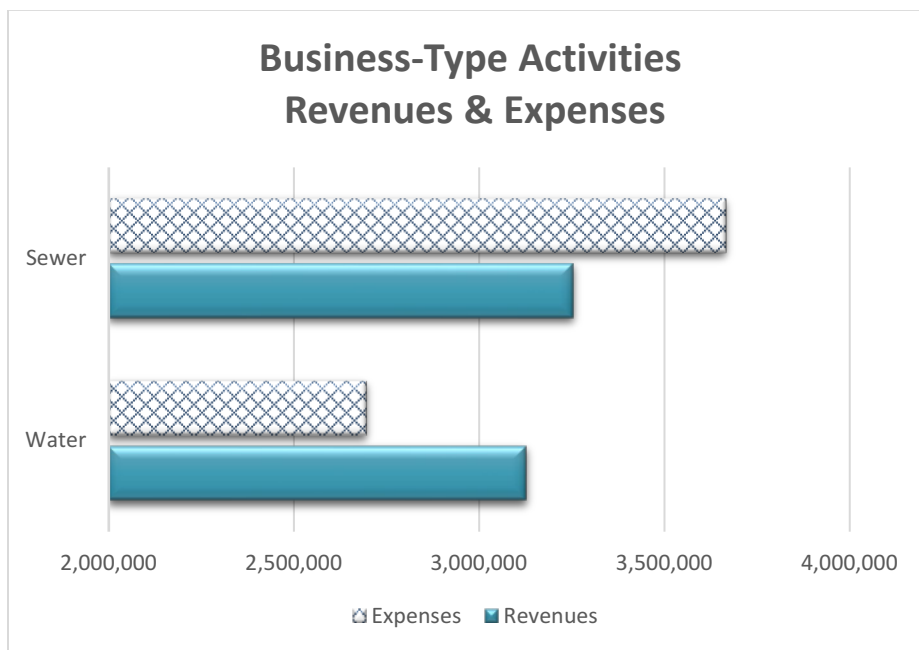


CITY OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

Business-type activities (Water and Sewer Funds):

Business-type activities increased the City's net position by \$18,706 during the current fiscal year. Key elements of this change are as follows:

- Sewer Fund was (\$412,102) short of covering their expenditures with charges for services. Charges for services include user fees, including Barre Town, penalties, and connection fees. Operating expenses increased 17.02% or \$532,965. Sewer response and repairs are continuing to increase in frequency as our system ages, specifically repairs to the wastewater treatment plant.
- Water Fund ended FY24 with a change in net position of \$430,808, making the total net position of \$12,607,258. Of that total, \$8,888,473 reflects the investment in capital assets, net of outstanding debt used to acquire or construct those assets and \$3,718,785 is unrestricted.



Business-type activities are accounted for in the same manner that businesses account for operations. It is necessary that revenues, operating and non-operating, plus retained earnings meet or exceed expenses to continue to operate. The graph above demonstrates that during the fiscal year expenses exceeded revenues in the sewer department and the revenues exceeded the expenses in the water department.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City of Barre uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Information presented and discussed in this section is specific to the fund financial statements.

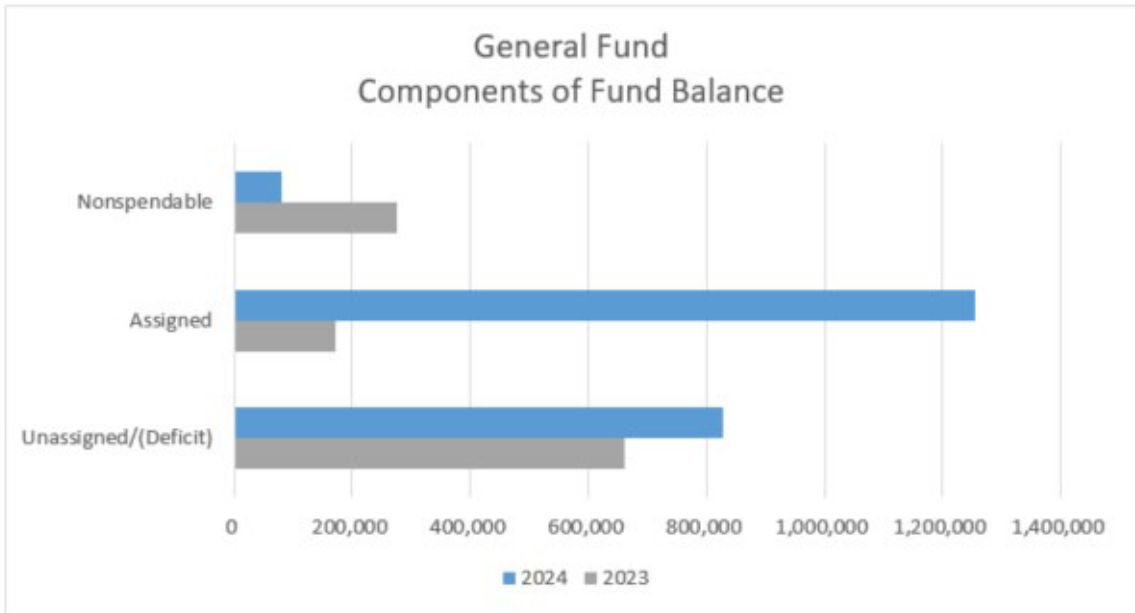
Governmental Funds

The focus of the City's governmental funds is to provide information on current year revenue, expenditures, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

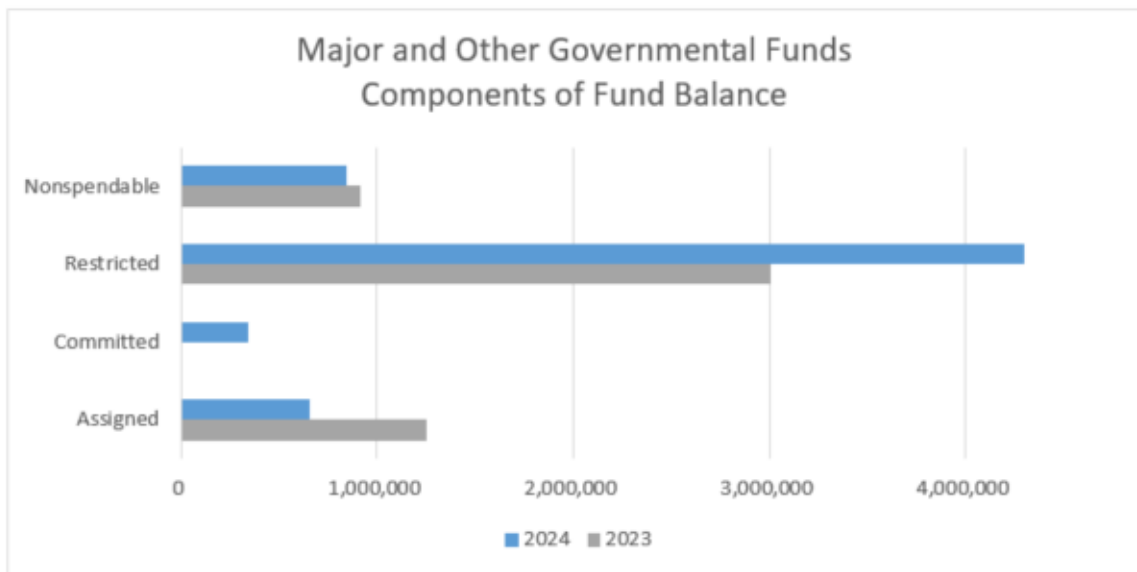
CITY OF BARRE, VERMONT
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 JUNE 30, 2024

At June 30, 2024, the City's governmental funds reported combined fund balances of \$8,300,863, an increase 32.15% or \$2,019,536 in comparison with the prior fiscal year. The unassigned fund balance is \$828,420, which is an increase of 25.17% or \$166,606 from the prior fiscal year. The remainder of the fund balance is either nonspendable \$923,238, restricted for particular purposes \$4,295,388, committed for specific purposes \$341,192, or assigned by the City for specific purposes \$1,912,625. The components of each category are detailed in Footnote IV. L. Fund Balances.

The general fund is the chief operating fund of the City. At the end of the fiscal year, total fund balance in the general fund was \$2,163,811, an increase of \$1,054,881 from the previous year. Of this amount, \$79,732 is in nonspendable form (prepaid expenses and inventory). Of the remaining amount, \$828,420 is the fund unassigned balance.



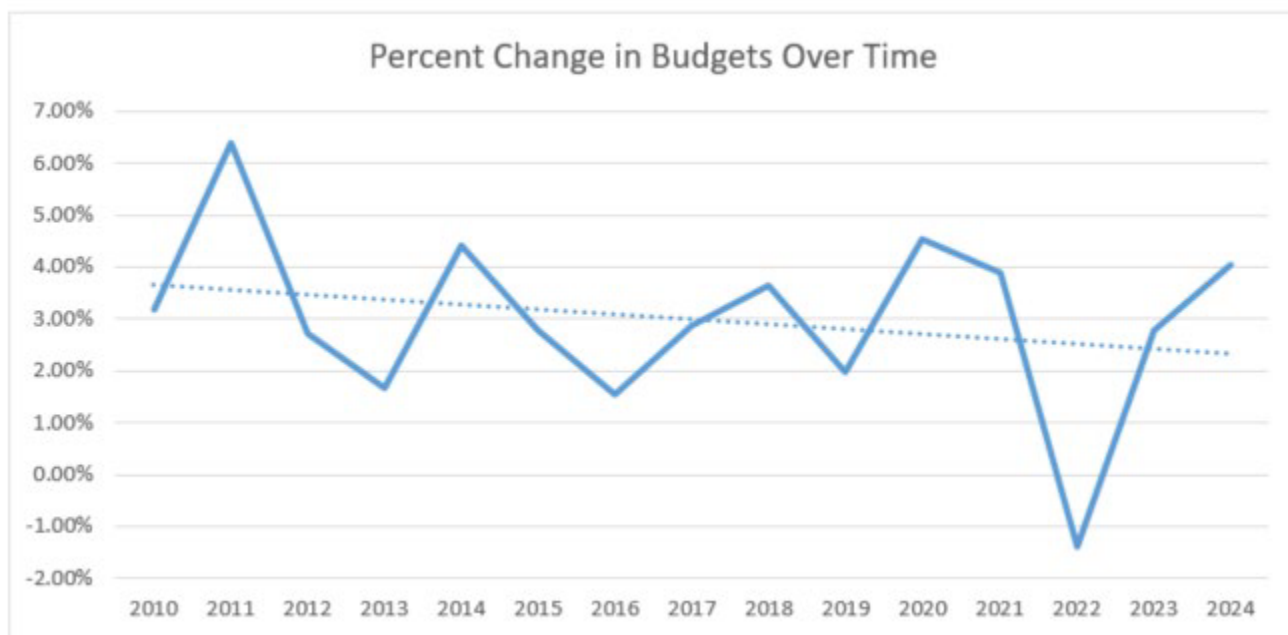
In the governmental funds other than the general fund, the most noteworthy change to the fund balance is a \$1,289,959 increase in the restricted fund balance of \$4,295,388. The capital improvement fund increased its restricted fund balance by \$849,246 and non-major governmental funds increased its restricted fund balance by \$358,670.



CITY OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

GENERAL FUND BUDGETARY HIGHLIGHTS:

The City's budget for the year ended June 30, 2024 passed on the first vote in March of 2023. There were no budget amendments made during the year. The City's FY24 general fund budget total \$13,728,343 increased 4.05% from FY23. Actual results on the year were an increase of \$1,054,881. Revenues came in ahead of budget by .28% or \$38,395. The City continues to be impacted by the nationwide labor shortage and struggled to fill key city positions such as a Permit Administrator and Police Officers. Although not desired, this impact resulted in vacancy savings allowing for the expenditures to be underspent by 2.91% or \$400,322. The July 2023 flood damages and timing of FEMA and State reimbursements also impacted the general fund as those costs were unbudgeted for. That amounted to (\$426,960) net reduction to the general fund. The State of Vermont allocated the City \$1,050,000 as part of their FY24 Budget Adjustment Act. As a result, there was a net increase of \$1,054,881 to the fund balance.



CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Barre City's investment in capital assets for its governmental and business-type activities as of June 30, 2024, totaled \$60,839,374 (net of accumulated depreciation). These assets include land, works of art, construction in progress, building and facilities, vehicles, machinery and equipment, furniture, infrastructure, cemetery developments, and distribution and collection systems. The City's combined investment in capital assets increased in FY24 by \$3,071,024. Combined depreciation for the fiscal year is \$3,047,428. With the City disposing of assets totaling \$285,396, net of accumulated depreciation, and the combined accumulated depreciation exceeding the combined investment in capital assets, caused a net decrease in capital assets of \$261,800.

Major capital asset transactions during the year included the following additions:

- Vehicles and equipment purchased in FY24 consisted of the following: Police Department – Ford Interceptor; Fire Department – Rescue Tools; Streets Department – Two (2) John Deere Loaders, Two (2) Bobcats, Two (2) Message Signs, Stonex Navigation System, Motorola Radio System; Facilities - Bobcat; BOR – Turf; Parks – Garfield Playground Structure; Public Safety Building – Two (2) Boilers; City Hall – Carrier Rooftop AC Unit; Water – VFD Pump, SCADA Upgrade, Motorola Radio System; Sewer – Motorola Radio System, North End Pump Station, Spectrophotometer, Gearbox, Yaskawa VFDS & Hach DO Probes.

CITY OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

- Infrastructure additions: Paving: Bank St., Cable St., Churchhill St., Farwell St., Phelps Pl., Pleasant St., S. Main St., Warrant St.
- Land Purchases: Duffy Ave. Property
- Buildings & Building Improvements: Old PD Space Renovation, N. Main St. Walk Thru – Roof repairs
- Water Main Lines: Berlin St., Merchant/Maple, Metro Way
- Sewer Main Lines: Merchant/Maple, Merchant/Warren St., Cable St., Cassie St.; Brooklyn St. Syphon Access Rd.
- Construction in progress: DPW Campus, Metro-Way Bike Path, Two (2) Chassis for Dump Trucks, Cassie St. Stormwater, Onward St. Paving & Shim, Grace/Hill St. ML, 302 Water Main Project, West Hill Tank, Cobble Hill Transmission Line, WWTP Pumps, WWTP Headworks Project

Major capital asset transactions during the year include the following deletions:

- Vehicle and equipment deletions included: Fire Safety Tools, Two (2) John Deere Loaders, Three (3) Bobcats
- Buildings & Building Improvements: Wheelock Building
- Land: 22 Hill St., Wheelock

The Streets Department transferred a bobcat to the Facilities Department.

Summary of Capital Assets

	Governmental Activities		Business-type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
Capital Assets:						
Land	3,536,836	3,531,836	319,011	319,011	3,855,847	3,850,847
Works of Art	308,184	308,184	-	-	308,184	308,184
Construction in Progress	386,986	141,681	387,721	1,327,232	774,707	1,468,913
Buildings and Building Improvements	11,577,999	11,482,815	459,559	459,559	12,037,558	11,942,374
Vehicles, Machinery, Equipment and Furniture	9,539,300	8,934,355	3,627,922	2,071,416	13,167,222	11,005,771
Infrastructure	34,084,256	33,600,032	-	-	34,084,256	33,600,032
Cemetery Developments	823,929	823,929	-	-	823,929	823,929
Distribution and Collection Systems	-	-	40,246,584	39,812,843	40,246,584	39,812,843
	60,257,490	58,822,832	45,040,797	43,990,061	105,298,287	102,812,893
Less: Accumulated Depreciation	(24,844,652)	(22,985,155)	(19,614,261)	(18,726,564)	(44,458,913)	(41,711,719)
Total Assets, Net	35,412,838	35,837,677	25,426,536	25,263,497	60,839,374	61,101,174

Long Term Debt

The City began the year with \$16,758,120 in long-term debt outstanding. As of June 30, 2024 this amount had decreased by (\$960,003) or (5.73%) to end the current year at \$15,798,117.

Summary of Long Term Debt

	30-Jun-23	Additions	Deletions	30-Jun-24
Governmental Activities	7,828,080	512,503	851,384	7,489,199
Business-type Activities	8,930,040	91,218	712,340	8,308,918
Total Government	16,758,120	603,721	1,563,724	15,798,117

CITY OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

Factors contributing to the change include the following:

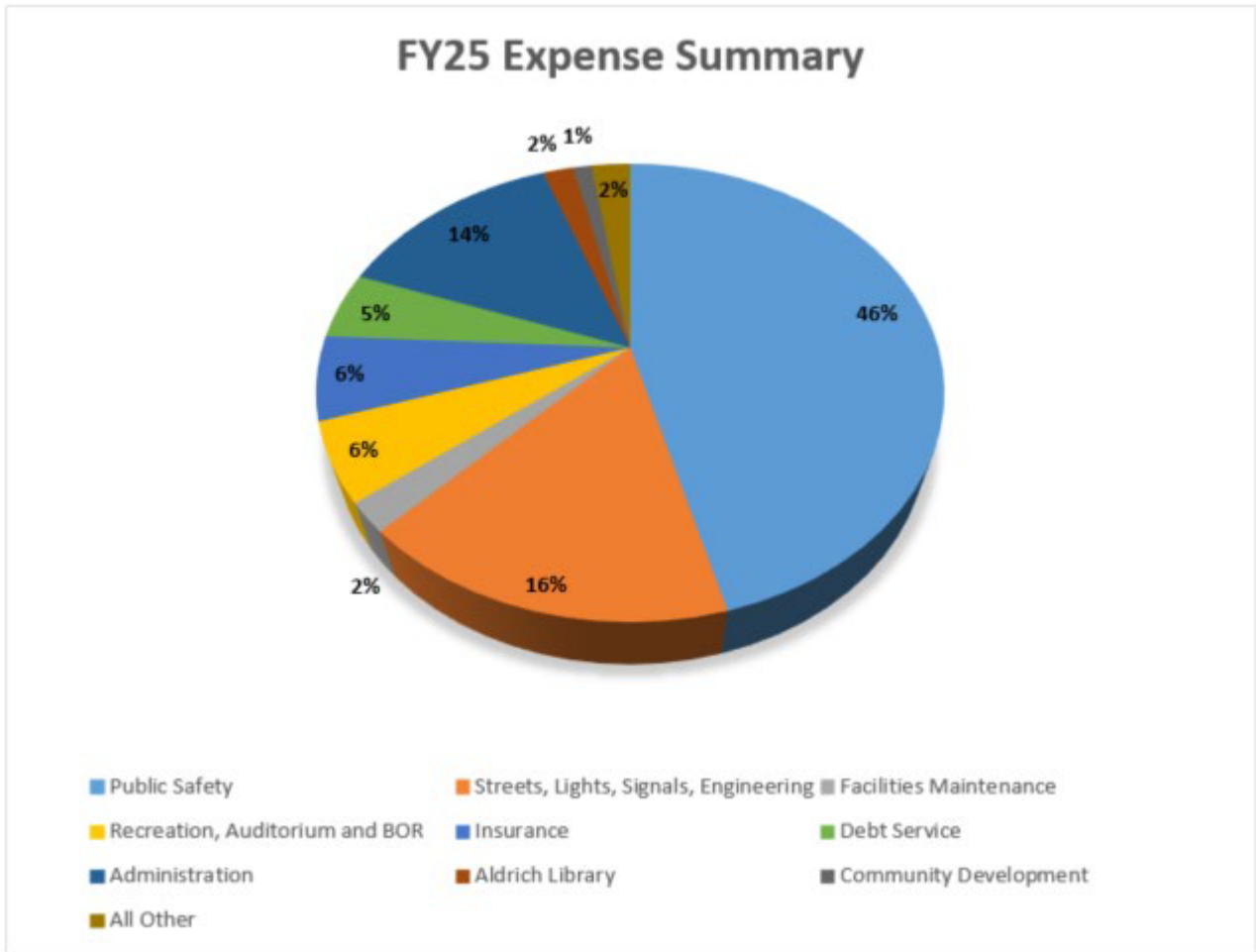
- Principal payments totaling \$851,384 were made and new debt was secured for lease financing of a plow and excavator on the governmental activities debt. For the business-type activities debt, principal payments totaling \$659,440 were made, \$91,218 of new debt was secured of which, \$52,900 principal forgiveness was recognized.

Additional information about long-term debt can be found in Footnote IV. K.

NEXT YEAR'S BUDGET

Barre City voters approved a General Fund budget of \$14,873,780 for FY25 in May 2024. The budget represents an increase of \$1,145,437 or 8.34% over the FY24 budget. The municipal tax rate increased by .25% to \$2.1147.

The graph below depicts how the City anticipates to spend its revised General Fund operating budget.



REQUESTS FOR INFORMATION

This report is designed to provide an overview of Barre City's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Assistant City Manager, City of Barre, 6 N. Main St. Barre, VT 05641.

CITY OF BARRE, VERMONT
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash	\$ 8,623,982	\$ 200	\$ 8,624,182
Restricted Cash Equivalents	527,350	1,514,492	2,041,842
Investments	2,148,131	0	2,148,131
Deposits held by Escrow Agent	1,039,503	0	1,039,503
Receivables (Net of Allowance for Uncollectibles)	1,936,579	2,490,155	4,426,734
Loans Receivable (Net of Allowance for Uncollectibles)	29,819	0	29,819
Internal Balances	(129,760)	129,760	0
Prepaid Expenses	19,253	5,276	24,529
Inventory	69,679	462,938	532,617
Capital Assets:			
Land	3,536,836	319,011	3,855,847
Works of Art	308,184	0	308,184
Construction in Progress	386,986	387,721	774,707
Other Capital Assets, (Net of Accumulated Depreciation)	31,180,832	24,719,804	55,900,636
Total Assets	<u>49,677,374</u>	<u>30,029,357</u>	<u>79,706,731</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows of Resources Related to the City's Participation in VMERS	1,611,779	213,058	1,824,837
Total Deferred Outflows of Resources	<u>1,611,779</u>	<u>213,058</u>	<u>1,824,837</u>
<u>LIABILITIES</u>			
Accounts Payable	723,960	799,516	1,523,476
Accrued Payroll and Benefits Payable	410,517	55,687	466,204
Unearned Revenue	2,508,626	0	2,508,626
Due to State of Vermont	0	104,022	104,022
Short-term Debt Payable	1,500,000	0	1,500,000
Accrued Interest Payable	57,189	46,134	103,323
Noncurrent Liabilities:			
Due within One Year	901,747	675,816	1,577,563
Due in More than One Year	12,281,063	8,458,404	20,739,467
Total Liabilities	<u>18,383,102</u>	<u>10,139,579</u>	<u>28,522,681</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows of Resources Related to the City's Participation in VMERS	283,741	37,508	321,249
Total Deferred Inflows of Resources	<u>283,741</u>	<u>37,508</u>	<u>321,249</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	29,438,877	18,327,188	47,766,065
Restricted:			
Non-Expendable:			
Cemetery	834,306	0	834,306
Expendable:			
Local Option Tax Eligible Expenses	854,105	0	854,105
Bike Path and Non-Operating Expenditures	680,054	0	680,054
Cemetery	292,570	0	292,570
TIF District	467,418	0	467,418
Other Purposes	486,003	0	486,003
Unrestricted/(Deficit)	(431,023)	1,738,140	1,307,117
Total Net Position	<u>\$ 32,622,310</u>	<u>\$ 20,065,328</u>	<u>\$ 52,687,638</u>

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

CITY OF BARRE, VERMONT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs:							
Primary Government:							
Governmental Activities:							
General Government	\$ 2,053,089	\$ 646,850	\$ 39,973	\$ 0	\$ (1,366,266)	\$ 0	\$ (1,366,266)
Public Safety	7,039,363	895,928	154,673	0	(5,988,762)	0	(5,988,762)
Public Works	6,019,679	0	2,853,513	239,830	(2,926,336)	0	(2,926,336)
Culture and Recreation	1,228,208	246,310	20,111	233,908	(727,879)	0	(727,879)
Community Development	205,230	0	103,296	0	(101,934)	0	(101,934)
Cemetery	282,232	133,145	0	0	(149,087)	0	(149,087)
Interest on Long-term Debt	239,835	0	0	0	(239,835)	0	(239,835)
Total Governmental Activities	<u>17,067,636</u>	<u>1,922,233</u>	<u>3,171,566</u>	<u>473,738</u>	<u>(11,500,099)</u>	<u>0</u>	<u>(11,500,099)</u>
Business-type Activities:							
Water	2,695,397	3,059,682	47,510	8,177	0	419,972	419,972
Sewer	3,664,789	2,844,334	380,514	17,173	0	(422,768)	(422,768)
Total Business-type Activities	<u>6,360,186</u>	<u>5,904,016</u>	<u>428,024</u>	<u>25,350</u>	<u>0</u>	<u>(2,796)</u>	<u>(2,796)</u>
Total Primary Government	<u>\$ 23,427,822</u>	<u>\$ 7,826,249</u>	<u>\$ 3,599,590</u>	<u>\$ 499,088</u>	<u>(11,500,099)</u>	<u>(2,796)</u>	<u>(11,502,895)</u>
General Revenues:							
Property Taxes					10,729,273	0	10,729,273
Penalties and Interest on Delinquent Taxes					75,210	0	75,210
Local Option Sales Taxes					909,273	0	909,273
Payments in Lieu of Taxes					405,116	0	405,116
ARPA Funds					29,819	0	29,819
Unrestricted Investment Earnings					245,492	21,502	266,994
Insurance Proceeds					785,633	0	785,633
Gain on Sale of Property					88,079	0	88,079
Gain on Sale of Vehicle					17,408	0	17,408
Total General Revenues					<u>13,285,303</u>	<u>21,502</u>	<u>13,306,805</u>
Change in Net Position					1,785,204	18,706	1,803,910
Net Position - July 1, 2023					30,837,106	20,046,622	50,883,728
Net Position - June 30, 2024					<u>\$ 32,622,310</u>	<u>\$ 20,065,328</u>	<u>\$ 52,687,638</u>

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

CITY OF BARRE, VERMONT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Capital Improvement Fund	Special Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 5,147,355	\$ 0	\$ 2,565,151	\$ 911,476	\$ 8,623,982
Restricted Cash Equivalents	0	527,350	0	0	527,350
Investments	500,000	0	54,649	1,593,482	2,148,131
Deposits held by Escrow Agent	0	1,039,503	0	0	1,039,503
Receivables (Net of Allowance for Uncollectibles)	1,491,786	273,572	171,221	0	1,936,579
Loans Receivable (Net of Allowance for Uncollectibles)	29,819	0	0	0	29,819
Due from Other Funds	0	1,401,636	831,727	39,039	2,272,402
Prepaid Items	19,253	0	0	0	19,253
Inventory	60,479	9,200	0	0	69,679
Total Assets	\$ 7,248,692	\$ 3,251,261	\$ 3,622,748	\$ 2,543,997	\$ 16,666,698
LIABILITIES					
Accounts Payable	\$ 231,927	\$ 423,739	\$ 65,353	\$ 2,941	\$ 723,960
Accrued Payroll and Benefits Payable	409,225	0	1,292	0	410,517
Due to Other Funds	2,216,407	0	0	185,755	2,402,162
Unearned Revenue	36,050	0	2,472,576	0	2,508,626
Short-term Debt Payable	1,500,000	0	0	0	1,500,000
Total Liabilities	4,393,609	423,739	2,539,221	188,696	7,545,265
DEFERRED INFLOWS OF RESOURCES					
Unavailable Property Taxes, Penalties, and Interest	219,000	0	0	0	219,000
Unavailable Ambulance Fees	44,000	0	0	0	44,000
Unavailable Grants	396,064	42,576	86,722	0	525,362
Unavailable Loan Receivable	29,819	0	0	0	29,819
Unavailable Miscellaneous Revenue	2,389	0	0	0	2,389
Total Deferred Inflows of Resources	691,272	42,576	86,722	0	820,570
FUND BALANCES					
Nonspendable	79,732	9,200	0	834,306	923,238
Restricted	0	2,369,343	433,472	1,492,573	4,295,388
Committed	0	341,192	0	0	341,192
Assigned	1,255,659	65,211	563,333	28,422	1,912,625
Unassigned	828,420	0	0	0	828,420
Total Fund Balances	2,163,811	2,784,946	996,805	2,355,301	8,300,863
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 7,248,692	\$ 3,251,261	\$ 3,622,748	\$ 2,543,997	
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:					
Capital Assets Used in Governmental Activities are not Financial Resources and, Therefore, are not Reported in the Funds.					35,412,838
Other Assets are not Available to Pay for Current-Period Expenditures and, Therefore, are Deferred in the Funds.					820,570
Long-term and Accrued Liabilities, Including Bonds Payable and the Net Pension Liability, are not Due or Payable in the Current Period and, Therefore, are not Reported in the Funds.					(13,239,999)
Deferred Outflows and Inflows of Resources related to the City's Participation in VMERS are applicable to Future Periods and, Therefore, are not Reported in the Funds.					1,328,038
Net Position of Governmental Activities					\$ 32,622,310

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

CITY OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Capital Improvement Fund	Special Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues:					
Property Taxes	\$ 9,926,378	\$ 403,245	\$ 0	\$ 373,650	\$ 10,703,273
Penalties and Interest on Delinquent Taxes	75,210	0	0	0	75,210
Local Option Sales Taxes	0	909,273	0	0	909,273
Payments in Lieu of Taxes	405,116	0	0	0	405,116
Intergovernmental	2,528,451	185,054	490,653	0	3,204,158
Charges for Services	2,255,573	29,251	0	10,389	2,295,213
Permits, Licenses and Fees	599,441	0	21,216	0	620,657
Fines and Forfeits	49,058	0	0	0	49,058
Investment Income	48,061	32,373	42,054	123,004	245,492
Donations	61,904	0	44,555	107,678	214,137
Opioids Settlement	0	0	38,459	0	38,459
Total Revenues	15,949,192	1,559,196	636,937	614,721	18,760,046
Expenditures:					
General Government	2,826,941	16,842	48,746	7,987	2,900,516
Public Safety	6,230,454	43,799	97,689	56	6,371,998
Public Works	3,897,729	222,235	77,012	0	4,196,976
Culture and Recreation	1,042,210	20,410	31,914	3,910	1,098,444
Community Development	132,912	0	102,137	0	235,049
Cemetery	265,764	0	0	0	265,764
Capital Outlay:					
General Government	0	179,012	0	0	179,012
Public Safety	0	122,401	0	0	122,401
Public Works	117,482	1,371,428	0	0	1,488,910
Culture and Recreation	0	26,888	48,019	126,358	201,265
Debt Service:					
Principal	585,861	177,523	0	88,000	851,384
Interest	140,708	47,303	0	57,935	245,946
Total Expenditures	15,240,061	2,227,841	405,517	284,246	18,157,665
Excess/(Deficiency) of Revenues Over Expenditures	709,131	(668,645)	231,420	330,475	602,381
Other Financing Sources/(Uses):					
Insurance Proceeds	486,911	298,722	0	0	785,633
Issuance of Long-term Debt	0	512,503	0	0	512,503
Proceeds from Sale of Property	0	101,611	0	0	101,611
Proceeds from Sale of Vehicle	0	17,408	0	0	17,408
Transfers In	76,817	150,000	16,074	66,904	309,795
Transfers Out	(217,978)	(49,817)	0	(42,000)	(309,795)
Total Other Financing Sources/(Uses)	345,750	1,030,427	16,074	24,904	1,417,155
Net Change in Fund Balances	1,054,881	361,782	247,494	355,379	2,019,536
Fund Balances - July 1, 2023	1,108,930	2,423,164	749,311	1,999,922	6,281,327
Fund Balances - June 30, 2024	\$ 2,163,811	\$ 2,784,946	\$ 996,805	\$ 2,355,301	\$ 8,300,863

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

CITY OF BARRE, VERMONT
 RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES OF
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2024

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Net change in fund balances - total government funds (Exhibit D)	\$	2,019,536
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets (\$1,991,588) is allocated over their estimated useful lives and reported as depreciation expense (\$2,159,731). This is the amount by which depreciation exceeded capital outlays in the current period.		(168,143)
The net effect of various transactions involving capital assets (i.e., sales and losses on disposal of assets) is to reduce net position.		(268,896)
The effect of donations of capital assets is to increase net position. The Town of Barre, Vermont contributed towards the purchase of a radio system.		12,200
The issuance of long-term debt (\$512,503) (e.g., bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt (\$851,384) consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on the net position.		338,881
The issuance of loans receivable (\$29,819) consumes current financial resources of governmental funds, while the repayment of the principal of loans receivable (\$0-) provides current financial resources to governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of loans receivable.		29,819
Governmental funds report employer pension contributions as expenditures (\$504,240). However, in the statement of activities, the cost of pension benefits earned net of employee contributions (\$943,592) is reported as pension expense. This amount is the net effect of the differences in the treatment of pension expense.		(439,352)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This amount is the net difference in the treatment of these items from the previous year.		237,327
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount is the net difference in the treatment of these items from the previous year.		<u>23,832</u>
Change in net position of governmental activities (Exhibit B)	\$	<u><u>1,785,204</u></u>

The General Fund charges the Water Fund and Sewer Fund for administrative expenses. These charges totaling \$1,047,853 have been eliminated from the Governmental Activities on the Statement of Activities.

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

CITY OF BARRE, VERMONT
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024

	Water Fund	Sewer Fund	Total
<u>ASSETS</u>			
Current Assets:			
Cash	\$ 200	\$ 0	\$ 200
Restricted Cash Equivalents	1,320,408	194,084	1,514,492
Receivables (Net of Allowance for Uncollectibles)	1,012,056	1,478,099	2,490,155
Due from Other Funds	2,789,078	0	2,789,078
Prepaid Expenses	2,638	2,638	5,276
Inventory	371,789	91,149	462,938
Total Current Assets	<u>5,496,169</u>	<u>1,765,970</u>	<u>7,262,139</u>
Noncurrent Assets:			
Capital Assets:			
Land	210,011	109,000	319,011
Construction in Progress	262,818	124,903	387,721
Buildings and Building Improvements	10,194	449,365	459,559
Vehicles, Machinery, Equipment and Furniture	269,846	3,358,076	3,627,922
Distribution and Collection Systems	24,217,884	16,028,700	40,246,584
Less: Accumulated Depreciation	<u>(11,625,844)</u>	<u>(7,988,417)</u>	<u>(19,614,261)</u>
Total Noncurrent Assets	<u>13,344,909</u>	<u>12,081,627</u>	<u>25,426,536</u>
Total Assets	<u>18,841,078</u>	<u>13,847,597</u>	<u>32,688,675</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows of Resources Related to the City's Participation in VMERS			
	<u>110,892</u>	<u>102,166</u>	<u>213,058</u>
Total Deferred Outflows of Resources	<u>110,892</u>	<u>102,166</u>	<u>213,058</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	109,995	689,521	799,516
Accrued Payroll and Benefits Payable	26,456	29,231	55,687
Due to Other Funds	0	2,659,318	2,659,318
Due to State of Vermont - Current Portion	0	104,022	104,022
Accrued Interest Payable	33,002	13,132	46,134
Notes Payable - Current Portion	65,777	0	65,777
General Obligation Bonds Payable - Current Portion	<u>369,736</u>	<u>240,303</u>	<u>610,039</u>
Total Current Liabilities	<u>604,966</u>	<u>3,735,527</u>	<u>4,340,493</u>
Noncurrent Liabilities:			
Compensated Absences Payable	74,314	79,076	153,390
Net Pension Liability	349,713	322,199	671,912
Notes Payable - Noncurrent Portion	67,368	0	67,368
General Obligation Bonds Payable - Noncurrent Portion	<u>5,228,829</u>	<u>2,336,905</u>	<u>7,565,734</u>
Total Noncurrent Liabilities	<u>5,720,224</u>	<u>2,738,180</u>	<u>8,458,404</u>
Total Liabilities	<u>6,325,190</u>	<u>6,473,707</u>	<u>12,798,897</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows of Resources Related to the City's Participation in VMERS			
	<u>19,522</u>	<u>17,986</u>	<u>37,508</u>
Total Deferred Inflows of Resources	<u>19,522</u>	<u>17,986</u>	<u>37,508</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	8,888,473	9,438,715	18,327,188
Unrestricted/(Deficit)	<u>3,718,785</u>	<u>(1,980,645)</u>	<u>1,738,140</u>
Total Net Position	<u>\$ 12,607,258</u>	<u>\$ 7,458,070</u>	<u>\$ 20,065,328</u>

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

CITY OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Water Fund	Sewer Fund	Total
Operating Revenues:			
Charges for Services	\$ 3,018,157	\$ 2,815,044	\$ 5,833,201
Interest and Penalties	40,726	29,290	70,016
Other	799	0	799
	<u>3,059,682</u>	<u>2,844,334</u>	<u>5,904,016</u>
Total Operating Revenues			
Operating Expenses:			
Payroll and Benefits	742,424	778,416	1,520,840
Administrative Costs	523,926	523,927	1,047,853
Professional Services	11,063	20,558	31,621
Supplies	30,272	33,525	63,797
Utilities	146,429	366,408	512,837
Maintenance	72,943	146,291	219,234
Chemicals	252,938	360,519	613,457
Permits and Testing	57,817	35,885	93,702
Taxes	60,008	0	60,008
Sludge Disposal	0	504,733	504,733
Depreciation	455,489	432,208	887,697
Other Operating Expenses	499	12,960	13,459
	<u>2,353,808</u>	<u>3,215,430</u>	<u>5,569,238</u>
Total Operating Expenses			
Operating Income/(Loss)	<u>705,874</u>	<u>(371,096)</u>	<u>334,778</u>
Non-Operating Revenues/(Expenses):			
FEMA Reimbursement	32,510	359,787	392,297
Flood Damage Expenses	(25,792)	(129,567)	(155,359)
Investment Income	10,836	10,666	21,502
Interest Expense	(192,485)	(81,165)	(273,650)
Debt Forgiveness	15,000	20,727	35,727
Service Line Inventory Expenses	(123,312)	0	(123,312)
20 Year Evaluation Plan Expenses	0	(174,877)	(174,877)
Vermont Agency of Natural Resources Penalty	0	(63,750)	(63,750)
	<u>(283,243)</u>	<u>(58,179)</u>	<u>(341,422)</u>
Total Non-Operating Revenues/(Expenses)			
Net Income/(Loss) Before Capital Contributions	<u>422,631</u>	<u>(429,275)</u>	<u>(6,644)</u>
Capital Contributions:			
Maple/Merchant Street Project Grant Income	8,177	0	8,177
Debt Forgiveness	0	17,173	17,173
	<u>8,177</u>	<u>17,173</u>	<u>25,350</u>
Total Capital Contributions			
Change in Net Position	430,808	(412,102)	18,706
Net Position - July 1, 2023	<u>12,176,450</u>	<u>7,870,172</u>	<u>20,046,622</u>
Net Position - June 30, 2024	<u>\$ 12,607,258</u>	<u>\$ 7,458,070</u>	<u>\$ 20,065,328</u>

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

CITY OF BARRE, VERMONT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Water Fund	Sewer Fund	Total
Cash Flows From Operating Activities:			
Receipts from Customers and Users	\$ 2,895,974	\$ 2,477,414	\$ 5,373,388
Payments for Goods and Services	(670,204)	(1,489,468)	(2,159,672)
Payments for Interfund Services	(523,926)	(523,927)	(1,047,853)
Payments for Wages and Benefits	(681,158)	(722,486)	(1,403,644)
Net Cash Provided/(Used) by Operating Activities	<u>1,020,686</u>	<u>(258,467)</u>	<u>762,219</u>
Cash Flows From Noncapital Financing Activities:			
Issuance of Long-term Debt	15,000	41,454	56,454
Service Line Inventory Expenses	(123,312)	0	(123,312)
20 Year Evaluation Plan Expenses	0	(163,462)	(163,462)
Penalty Paid to Vermont Agency of Natural Resources	0	(7,969)	(7,969)
Flood Damage Expenses	(25,792)	(63,076)	(88,868)
(Increase)/Decrease in Due from Other Funds	187,818	0	187,818
Increase/(Decrease) in Due to Other Funds	<u>0</u>	<u>1,004,091</u>	<u>1,004,091</u>
Net Cash Provided by Noncapital Financing Activities	<u>53,714</u>	<u>811,038</u>	<u>864,752</u>
Cash Flows From Capital and Related Financing Activities:			
Issuance of Long-term Debt	0	34,764	34,764
Acquisition and Construction of Capital Assets	(460,284)	(495,215)	(955,499)
Principal Paid on Long-term Debt	(423,445)	(235,995)	(659,440)
Interest Paid on Long-term Debt	(195,479)	(82,303)	(277,782)
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>(1,079,208)</u>	<u>(778,749)</u>	<u>(1,857,957)</u>
Cash Flows From Investing Activities:			
Receipt of Interest and Dividends	<u>46,573</u>	<u>43,706</u>	<u>90,279</u>
Net Cash Provided by Investing Activities	<u>46,573</u>	<u>43,706</u>	<u>90,279</u>
Net Increase/(Decrease) in Cash and Restricted Cash Equivalents	41,765	(182,472)	(140,707)
Cash and Restricted Cash Equivalents - July 1, 2023	<u>1,278,843</u>	<u>376,556</u>	<u>1,655,399</u>
Cash and Restricted Cash Equivalents - June 30, 2024	<u>\$ 1,320,608</u>	<u>\$ 194,084</u>	<u>\$ 1,514,692</u>
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Operating Income/(Loss)	\$ 705,874	\$ (371,096)	\$ 334,778
Depreciation	455,489	432,208	887,697
(Increase)/Decrease in Receivables	(159,685)	(366,613)	(526,298)
(Increase)/Decrease in Prepaid Expenses	(2,638)	(2,638)	(5,276)
(Increase)/Decrease in Inventory	(52,280)	(10,259)	(62,539)
(Increase)/Decrease in Deferred Outflows of Resources Related to the City's Participation in VMERS	22,475	19,030	41,505
Increase/(Decrease) in Accounts Payable	12,967	4,308	17,275
Increase/(Decrease) in Accrued Payroll and Benefits Payable	942	7,221	8,163
Increase/(Decrease) in Compensated Absences Payable	21,222	9,895	31,117
Increase/(Decrease) in Net Pension Liability	8,178	11,832	20,010
Increase/(Decrease) in Deferred Inflows of Resources Related to the City's Participation in VMERS	8,142	7,645	15,787
Net Cash Provided/(Used) by Operating Activities	<u>\$ 1,020,686</u>	<u>\$ (258,467)</u>	<u>\$ 762,219</u>

The Water Fund recognized a forgiveness of debt from the State of Vermont in the amount of \$15,000.

The Sewer Fund recognized a forgiveness of debt from the State of Vermont in the amount of \$37,900.

There was \$9,464 of capital acquisitions in the Water Fund included in payables at June 30, 2023.

There was \$12,401 of capital acquisitions in the Water Fund included in payables at June 30, 2024.

There was \$312,753 of capital acquisitions in the Sewer Fund included in payables at June 30, 2023.

There was \$405,053 of capital acquisitions in the Sewer Fund included in payables at June 30, 2024.

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

CITY OF BARRE, VERMONT
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2024

	Private-Purpose Trust Funds	Custodial Fund Education Tax Fund
<u>ASSETS</u>		
Investments	\$ <u>88,998</u>	\$ <u>0</u>
Total Assets	\$ <u><u>88,998</u></u>	\$ <u><u>0</u></u>
<u>LIABILITIES AND NET POSITION</u>		
Liabilities:	\$ <u>0</u>	\$ <u>0</u>
Net Position:		
Restricted:		
Held in Trust for Other Purposes	<u>88,998</u>	<u>0</u>
Total Net Position	<u>88,998</u>	<u>0</u>
Total Liabilities and Net Position	\$ <u><u>88,998</u></u>	\$ <u><u>0</u></u>

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

CITY OF BARRE, VERMONT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Private-Purpose Trust Funds	Custodial Fund Education Tax Fund
Additions:		
Investment Income	\$ 3,308	\$ 0
Education Taxes Collected for Other Governments	0	6,898,657
Total Additions	3,308	6,898,657
Deductions:		
Culture and Recreation	17,685	0
Education Taxes Distributed to Other Governments	0	6,898,657
Total Deductions	17,685	6,898,657
Change in Net Position	(14,377)	0
Net Position - July 1, 2023	103,375	0
Net Position - June 30, 2024	\$ 88,998	\$ 0

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

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

The City of Barre, Vermont, (herein the "City") operates under a City Council/Manager form of government and provides the following services as authorized by its charter: public safety, highways and streets, health and social services, culture and recreation, community/economic development, public improvements, planning and zoning, water, wastewater treatment and general administrative services.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the City of Barre (the "City") conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. 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 includes all of the activity of the City of Barre, 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, there are no other entities that should be combined with the financial statements of the City.

B. Basis of Presentation

The accounts of the City 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, revenues, and expenditures or expenses, as appropriate. 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 City 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 City as a whole and present a longer-term view of the City's finances. The focus of the fund financial statements is on reporting on the operating results and financial position of the most significant funds of the City and present a shorter-term view of how operations were financed and what remains available for future spending.

CITY OF BARRE, 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 City. 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. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, 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 expenses and program revenues for each function of the City's governmental activities and for each segment of the City's business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular program or function. Program revenues 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. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City'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 City reports on the following major governmental funds:

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

Capital Improvement Fund – This fund accounts for the general capital expenditures of the City.

Special Fund – This fund accounts for the City's various grant activities.

The City 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.

Proprietary fund operating revenues, 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 revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Additionally, the City reports the following fund types:

Private-Purpose Trust Funds – These funds are used to report trust arrangements under which resources are to be used for the benefit of individuals and organizations. All investment earnings, and in some cases, the principal of these funds may be used to support these activities.

Custodial Fund – This fund accounts for resources held by the City 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. This means that all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of these funds (whether current or noncurrent) are included on the balance sheet (or statement of net position). Equity (i.e., total net position) is segregated into net investment in capital assets; restricted net position; and unrestricted net position. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Governmental fund financial statements are reported using the current financial resources measurement focus. This means that only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources are generally reported on their balance sheets. Their reported fund balances (net current position) 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., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current position. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

D. Basis of Accounting

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

The government-wide, proprietary and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Local option sales taxes collected and held by the State at year-end on behalf of the City are also recognized as revenue. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Governmental funds are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. “Measurable” means the amount of the transaction can be determined, and “available” means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenues reported in governmental funds to be available if the revenues are collected within sixty (60) days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, certain compensated absences and other long-term liabilities which are recognized when the obligations are expected to be liquidated or are funded with expendable available financial resources.

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt, acquisitions under financed purchases and sales of capital assets are reported as other financing sources.

Under the terms of grant agreements, the City 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 resources available to finance the program. It is the City’s policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and other grant requirements have been met.

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. An offsetting deferred inflows of resources is recognized for all loans receivable. Loan repayment revenue is recognized as the loans are repaid.

E. Use of Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows and inflows of resources and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

F. New Pronouncement – Accounting Changes and Error Corrections

Effective June 30, 2024, the City 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 implementation of this Standard did not have an impact on the financial statements.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Equity

1. Cash

Cash balances of City funds are deposited with and invested by the City Treasurer. The City 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 withdrawals are shown as due to other funds.

2. Investments

The City invests in investments as allowed by State Statute. Investments with readily determinable fair values are reported at their fair values on the balance sheet. Unrealized gains and losses are included in revenue.

3. Receivables

Receivables are shown net of an allowance for uncollectible accounts for the estimated losses that will be incurred in the collection of the receivables. The estimated losses are based on the judgment of management and a review of the current status of existing receivables.

4. 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 from/to other funds”. All other outstanding balances between funds are reported as “due from/to other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

5. Inventories and Prepaid Expenses/Items

Inventory quantities are determined by physical count and are valued at the lower of cost or market. Inventories in the governmental funds consist of vehicle fuel and materials and inventories in the proprietary funds consist of chemicals.

Certain payments to vendors reflect costs that are applicable to future accounting periods and are recorded as prepaid expenses/items.

Reported inventories and prepaid items of governmental funds in the fund financial statements are offset by a nonspendable fund balance as these are not in spendable form.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statements element, “deferred outflows of resources”, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. These amounts are deferred and recognized as an outflow of resources in the future periods to which the outflows are related.

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 or when the amounts become available.

7. Leases

Lessee: The City recognizes lease liabilities and a right-to-use lease asset (lease asset) in the government-wide and proprietary fund financial statements. The City recognizes lease liabilities with an initial, individual value deemed material. At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Lease assets are reported as right to use along with other capital assets and lease liabilities are reported with long-term debt in the government-wide and proprietary fund financial statements.

Lessor: The City recognizes a lease receivable and a deferred inflows of resources in both the government-wide and fund financial statements. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources is initially measured as the initial amount of the lease receivable. Subsequently, the deferred inflows of resources is recognized as revenue on a straight-line basis over the term of the lease. Lease receivables in excess of the related deferred inflows of resources are reported as nonspendable fund balances of governmental funds in the fund financial statements as these are not in spendable form.

8. Capital Assets

Capital assets are reported at actual cost or estimated historical cost based on appraisals or deflated current replacement cost if purchased or constructed. Contributed assets are recorded at their estimated acquisition value at the time received. Major outlays for capital assets and improvements are capitalized as constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets’ lives are not capitalized. Infrastructure assets are reported starting with fiscal year ended June 30, 2004. The City has elected to not report major general infrastructure assets retroactively.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Capital assets reported in the government-wide and proprietary fund financial statements are depreciated in order that the cost of these assets will be charged to expenses over their estimated service lives, generally using the straight-line method of calculating depreciation.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts) and estimated useful lives of capital assets are as follows:

	Capitalization Threshold	Estimated Service Life
Land	\$ 1,000	Not Depreciated
Works of Art	\$ 1,000	Not Depreciated
Buildings and Building Improvements	\$ 5,000	40 Years
Vehicles, Machinery, Equipment and Furniture	\$ 5,000	5-20 Years
Infrastructure	\$ 5,000	30-50 Years
Cemetery Developments	\$ 5,000	10-50 Years
Distribution and Collection Systems	\$ 5,000	33-100 Years

Capital assets are not reported in the governmental fund financial statements. Capital outlays in these funds are recorded as expenditures in the year they are acquired.

9. Pensions

For purposes of measuring the proportionate share of the net pension liability and the related deferred outflows/inflows of resources and pension expense, information about the fiduciary net position of the Vermont Municipal Employees’ Retirement System (VMERS) plan and additions to/deductions from the VMERS’ fiduciary net position have been determined on the same basis as they are reported by VMERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

10. Compensated Absences

It is the City’s policy to permit employees to accumulate earned but unused leave time. The accrual for unused compensated absences time, based on current pay rates, is recorded in the government-wide and proprietary fund financial statements. The liability for unused compensated absences is not reported in the governmental fund financial statements. Payments for unused compensated absences are recorded as expenditures in the year they are paid.

11. Long-term Liabilities

Long-term liabilities include bonds, financed purchases and notes payable and other obligations such as compensated absences and the City’s net pension liability. Long-term liabilities are reported in the government-wide and proprietary fund financial statements. Governmental fund financial statements do not include any long-term liabilities as those statements use the current financial resources measurement focus and only include current liabilities on their balance sheets.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

12. 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 the government-wide, proprietary and fiduciary fund financial statements represent amounts that cannot be appropriated or are legally restricted for a specific purpose by a grant, contract, or other binding agreement. Fund balances of 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 City Council's intended use of the resources); and unassigned.

II. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND AND GOVERNMENT-WIDE STATEMENTS

Governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting, whereas government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. These differences in the measurement focus and basis of accounting lead to differences between the governmental fund financial statements and the government-wide financial statements as follows:

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas government-wide statements report revenues when earned. Long-term expense differences arise because governmental funds report expenditures (including interest) using the modified accrual basis of accounting, whereas government-wide statements report expenses using the accrual basis of accounting.

Capital-related differences arise because governmental funds report capital outlays as current period expenditures, whereas government-wide statements report depreciation as an expense. Further, governmental funds report the proceeds from the sale of capital assets as other financing sources, whereas government-wide statements report the gain or loss from the sale of capital assets as revenue or expense.

Long-term debt transaction differences arise because governmental funds report proceeds from long-term debt as other financing sources and principal payments as expenditures, whereas government-wide statements report those transactions as increases and decreases in liabilities, respectively.

Loans receivable differences arise because governmental funds report the issuance of loans receivable as expenditures and repayments of loans receivable as revenues, whereas government-wide statements report those transactions as increases and decreases in assets, respectively.

Pension-related differences arise because governmental funds report the current year's required employer contributions as current period expenditures, whereas government-wide statements report those transactions as deferred outflows of resources. In addition, the accrual for the City's proportionate share of the net pension liability is recorded in the government-wide financial statements along with the related deferred inflows and outflows of resources.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Budgets are approved at the annual City Meeting in March or at subsequent special meetings if the original budget is not approved. Any budget changes require voter approval. There were no budget amendments during the year. The budget presented herein is for the City’s “General Fund” only and does not include unbudgeted flood damage expenses and related funding.

B. Budgeted Deficit

The City budgeted a current year’s deficiency of revenues over expenditures in the General Fund in the amount of \$6,876. This is reflected as a budgeted deficiency of revenues over expenditures on Schedule 1.

IV. DETAILED NOTES ON ALL FUNDS

A. Cash, Cash Equivalents and Investments

The City’s cash, cash equivalents and investments as of June 30, 2024 consisted of the following:

Restricted Cash Equivalents:

Money Market Mutual Funds – U.S. Government Securities	\$ <u>2,041,842</u>
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Unrestricted Cash:

Deposits with Financial Institutions	8,527,437
Deposits with Investment Company	95,770
Cash on Hand	<u>975</u>

Total Unrestricted Cash	<u>8,624,182</u>
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Total Cash and Cash Equivalents	<u>10,666,024</u>
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Investments:

Certificates of Deposit	588,998
Exchange-Traded Funds	51,244
Mutual Funds – Mixed Holdings	<u>1,596,887</u>

Total Investments	<u>2,237,129</u>
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Total Cash, Cash Equivalents and Investments	<u>\$12,903,153</u>
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The City has two (2) certificates of deposit at various banks in the amounts of \$88,998 and \$500,000 with interest rates of 4.6% and 4.5%, respectively. Both certificates of deposit mature during fiscal year 2025.

CITY OF BARRE, 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 City does not have any policy to limit the exposure to custodial credit risk. The money market mutual funds, exchange-traded funds and mutual funds are in the name of the City and are not exposed to custodial credit risk. The following table shows the custodial credit risk of the City’s cash and certificates of deposit.

	<u>Book Balance</u>	<u>Bank Balance</u>
FDIC/SIPC Insured	\$ 709,648	\$ 709,648
Uninsured, Collateralized by U.S. Government Agencies Securities Held by the Pledging Financial Institution’s Agent	8,252,557	8,477,449
Uninsured, Uncollateralized	<u>250,000</u>	<u>250,000</u>
Total	<u>\$9,212,205</u>	<u>\$9,437,097</u>

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

\$250,000 of uninsured, uncollateralized deposits could be offset by debt at the respective bank.

The book balance is comprised of the following:

Unrestricted Cash – Deposits with Financial Institutions	\$8,527,437
Unrestricted Cash – Deposits with Investment Company	95,770
Investments – Certificates of Deposit	<u>588,998</u>
Total	<u>\$9,212,205</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 City does not have any policy to limit the exposure to interest rate risk. The City’s certificates of deposit and exchange-traded funds are not subject to interest rate risk disclosure. The City’s money market mutual funds and mutual funds are open-ended and, therefore, are also exempt from interest rate risk disclosure.

CITY OF BARRE, 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 City does not have any policy to limit the exposure to credit risk. The City's certificates of deposit and exchange-traded funds are not subject to credit risk disclosure. The City's money market mutual funds and mutual funds are open-ended and, therefore, are also exempt from credit risk disclosure.

Concentration of Credit Risk

Concentration of credit risk is the risk that a large percentage of the City's investments are held within one security. The City does not have any limitations on the amount that can be invested in any one issuer. The City's certificates of deposit and exchange-traded funds are not subject to concentration of credit risk disclosure. The City's money market mutual funds and mutual funds are open-ended and, therefore, are also excluded from concentration of credit risk disclosure. There are no other investments in any one issuer that represent more than 5% of total investments.

Fair Value

The City 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 City'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.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

The City 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)
Exchange-Traded Funds	\$ 51,244	\$ 51,244	\$ 0	\$ 0
Mutual Funds - Mixed Holdings	1,596,887	1,596,887	0	0
Total	\$ <u>1,648,131</u>	\$ <u>1,648,131</u>	\$ <u>0</u>	\$ <u>0</u>

Restricted Cash and Cash Equivalents

In 2020, the City received a \$3.96 million bond from the Vermont Municipal Bond Bank, of which \$160,750 was allocated to the Capital Improvement Fund for infrastructure improvements, \$560,000 was allocated to the Capital Improvement Fund for miscellaneous improvements and TIF District audit fees, \$1,215,500 was allocated to the Water Fund for miscellaneous capital projects, \$1,123,750 was allocated to the Sewer Fund for miscellaneous capital projects, and \$900,000 was allocated to the Sewer Fund for biosolid projects. Unspent bond proceeds and the interest earned are restricted for related projects and purchases or may be used to pay down the bond. The amount restricted as of June 30, 2024 is \$1,778,072.

In 2021, the City received a \$1.7 million bond from the Vermont Municipal Bond Bank, of which \$1,526,500 was allocated to the Capital Improvement Fund for infrastructure improvements and equipment needs, \$76,750 was allocated to the Water Fund for miscellaneous equipment needs, and \$96,750 was allocated to the Sewer Fund for miscellaneous equipment needs. Unspent bond proceeds and the interest earned are restricted for related projects and purchases or may be used to pay down the bond. The amount restricted as of June 30, 2024 is \$263,770.

B. Deposits held by Escrow Agent

In 2023, the City entered into lease agreements with Municipal Leasing Consultants, LLC in the amounts of \$449,020 and \$355,000 for the financing of two (2) plow trucks and an ambulance, respectively. Lease proceeds are held by an escrow agent until the acquisition of the vehicles. The amount held by the escrow agent to be spent as of June 30, 2024 is \$527,000.

In 2024, the City entered into a lease agreement with Municipal Leasing Consultants, LLC in the amount of \$512,503 for the financing of a plow truck, an excavator and a trailer. Lease proceeds are held by an escrow agent until the acquisition of the vehicles and equipment. The amount held by the escrow agent to be spent as of June 30, 2024 is \$512,503.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

C. Receivables

Receivables as of June 30, 2024, as reported in the statement of net position, net of applicable allowances for uncollectible accounts, are as follows:

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Delinquent Taxes Receivable	\$ 302,716	\$ 0	\$ 302,716
Penalties and Interest Receivable	74,022	17,599	91,621
Local Option Sales Tax Receivable	230,996	0	230,996
Ambulance Receivable	217,281	0	217,281
Parking Tickets Receivable	743,194	0	743,194
Grants Receivable	1,209,927	453,139	1,663,066
Billed Services	106,180	978,727	1,084,907
Unbilled Services	0	1,041,161	1,041,161
Miscellaneous Receivables	19,232	1,152	20,384
Allowance for Doubtful Accounts - Taxes and Related Fees	(91,500)	0	(91,500)
Allowance for Doubtful Accounts - Ambulance	(121,500)	0	(121,500)
Allowance for Doubtful Accounts - Parking Tickets	(729,757)	0	(729,757)
Allowance for Doubtful Accounts - Cemetery Fees	(14,980)	0	(14,980)
Allowance for Doubtful Accounts - Miscellaneous Fees	(9,232)	0	(9,232)
Allowance for Doubtful Accounts - Water/Sewer	<u>0</u>	<u>(1,623)</u>	<u>(1,623)</u>
	<u>\$ 1,936,579</u>	<u>\$ 2,490,155</u>	<u>\$ 4,426,734</u>

D. Loans Receivable

Loans receivable as of June 30, 2024 are as follows:

Loan Receivable, Highgate Housing Limited Partnership, Interest at 1%, Deferred until July 31, 2042 at which Time all Principal and Interest is Due, Secured by Property and Building, Secured by Second Mortgage Subordinate to Only Senior Encumbrances	\$ 657,500
Loan Receivable, Highgate Housing Limited Partnership, Interest at 0%, Deferred until July 31, 2042 at which Time all Principal is Due, Secured by Property and Building, Secured by Second Mortgage Subordinate to Only Senior Encumbrances	649,900
Loan Receivable, Lincoln House, Interest at 4.5%, Principal and Interest Due Monthly Beginning December 1, 2028 Through December 1, 2058, Secured by Second Mortgage Subordinate to Only Senior Encumbrances	600,000
Loan Receivable, 28 Granite Street Limited Liability Company, Interest at 0%, Deferred until February 26, 2060 or Upon Sale of Property or Change in Use at which Time all Principal is Due, Secured by Building, Secured by Second Mortgage Subordinate to Only Senior Encumbrances	294,820

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Loan Receivable, Summer Street Housing Limited Partnership,
Interest at 0%, Deferred Until July 25, 2046 at which Time all
Principal is Due, Secured by Real Property \$ 790,000

Loan Receivable, Capstone Community Action, Interest at 0%,
Deferred until November 22, 2061 or Upon Sale of Property
or Change in Use at which Time all Principal is Due, Secured
by Real Property 800,000

Loan Receivable, Central Vermont Habitat for Humanity
(CVHFH), Interest at 0%, Principal Due in Full the Earlier of
June 30, 2025 or the Date when CVHFH Closes on the Sale of
22 Hill Street, Secured by Real Property 29,819

Total 3,822,039

Less: Allowance for Doubtful Loans Receivable (3,792,220)

Reported Value as of June 30, 2024 \$ 29,819

E. Capital Assets

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 3,531,836	\$ 22,700	\$ 17,700	\$ 3,536,836
Works of Art	308,184	0	0	308,184
Construction in Progress	<u>141,681</u>	<u>285,379</u>	<u>40,074</u>	<u>386,986</u>
Total Capital Assets, Not Being Depreciated	<u>3,981,701</u>	<u>308,079</u>	<u>57,774</u>	<u>4,232,006</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	11,482,815	115,184	20,000	11,577,999
Vehicles, Machinery, Equipment and Furniture	8,934,355	1,076,622	471,677	9,539,300
Infrastructure	33,600,032	560,477	76,253	34,084,256
Cemetery Developments	<u>823,929</u>	<u>0</u>	<u>0</u>	<u>823,929</u>
Totals	<u>54,841,131</u>	<u>1,752,283</u>	<u>567,930</u>	<u>56,025,484</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	3,527,336	244,102	9,468	3,761,970
Vehicles, Machinery, Equipment and Furniture	5,312,393	534,407	241,388	5,605,412
Infrastructure	13,780,982	1,372,440	49,378	15,104,044
Cemetery Developments	<u>364,444</u>	<u>8,782</u>	<u>0</u>	<u>373,226</u>
Totals	<u>22,985,155</u>	<u>2,159,731</u>	<u>300,234</u>	<u>24,844,652</u>
Total Capital Assets, Being Depreciated	<u>31,855,976</u>	<u>(407,448)</u>	<u>267,696</u>	<u>31,180,832</u>
Governmental Activities Capital Assets, Net	<u>\$ 35,837,677</u>	<u>\$ (99,369)</u>	<u>\$ 325,470</u>	<u>\$ 35,412,838</u>

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 319,011	\$ 0	\$ 0	\$ 319,011
Construction in Progress	<u>1,327,232</u>	<u>324,233</u>	<u>1,263,744</u>	<u>387,721</u>
Total Capital Assets, Not Being Depreciated	<u>1,646,243</u>	<u>324,233</u>	<u>1,263,744</u>	<u>706,732</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	459,559	0	0	459,559
Vehicles, Machinery, Equipment and Furniture	2,071,416	1,556,506	0	3,627,922
Distribution and Collection Systems	<u>39,812,843</u>	<u>433,741</u>	<u>0</u>	<u>40,246,584</u>
Totals	<u>42,343,818</u>	<u>1,990,247</u>	<u>0</u>	<u>44,334,065</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	433,136	4,618	0	437,754
Vehicles, Machinery, Equipment and Furniture	1,061,070	109,553	0	1,170,623
Distribution and Collection Systems	<u>17,232,358</u>	<u>773,526</u>	<u>0</u>	<u>18,005,884</u>
Totals	<u>18,726,564</u>	<u>887,697</u>	<u>0</u>	<u>19,614,261</u>
Total Capital Assets, Being Depreciated	<u>23,617,254</u>	<u>1,102,550</u>	<u>0</u>	<u>24,719,804</u>
Business-type Activities Capital Assets, Net	<u>\$ 25,263,497</u>	<u>\$ 1,426,783</u>	<u>\$ 1,263,744</u>	<u>\$ 25,426,536</u>

Depreciation was charged as follows:

Governmental Activities:		Business-type Activities:	
General Government	\$ 113,353	Water	\$ 455,489
Public Safety	361,096	Sewer	<u>432,208</u>
Public Works	1,534,482		
Culture and Recreation	134,474		
Cemetery	<u>16,326</u>		
Total Depreciation Expense - Governmental Activities	<u>\$ 2,159,731</u>	Total Depreciation Expense - Business-type Activities	<u>\$ 887,697</u>

F. Interfund Balances and Activity

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

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 0	\$ 2,216,407
Capital Improvement Fund	1,401,636	0
Special Fund	831,727	0
Non-Major Governmental Funds	39,039	185,755
Water Fund	2,789,078	0
Sewer Fund	<u>0</u>	<u>2,659,318</u>
	<u>\$ 5,061,480</u>	<u>\$ 5,061,480</u>

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Interfund transfers during the year ended June 30, 2024 were as follows:

Transfer From	Transfer To	Amount	Purpose
General Fund	Capital Improvement Fund	\$ 25,000	Appropriation
General Fund	Capital Improvement Fund	125,000	Additional Funding for Paving Projects
General Fund	Special Fund	6,074	Fund Grant Local Match
General Fund	Semprebon Fund	61,904	Transfer Annuity Earnings
Capital Improvement Fund	General Fund	49,817	Fund Debt Service
Semprebon Fund	Special Fund	10,000	Fund Project Expenses
Semprebon Fund	Shade Tree Improvement Fund	5,000	Fund Project Expenses
Cemetery Trust Fund	General Fund	25,000	Transfer Interest Earnings
Cemetery Trust Fund	General Fund	500	Transfer Interest Earnings - Flowers
Cemetery Trust Fund	General Fund	1,500	Transfer Interest Earnings - Mausoleum
Total		<u>\$ 309,795</u>	

G. Deferred Outflows of Resources

Deferred outflows of resources in the governmental activities consists of \$318,779 from the difference between the expected and actual experience, \$578,297 from the net difference between the projected and actual investment earnings on pension plan investments, \$165,679 from changes in assumptions and \$44,784 from changes in the City's proportional share of contributions related to the City's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$504,240 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the governmental activities is \$1,611,779.

Deferred outflows of resources in the business-type activities consists of \$42,140 from the difference between the expected and actual experience, \$76,443 from the net difference between the projected and actual investment earnings on pension plan investments, \$21,901 from changes in assumptions and \$5,920 from changes in the City's proportional share of contributions related to the City's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$66,654 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the business-type activities is \$213,058.

Deferred outflows of resources in the Water Fund consists of \$21,933 from the difference between the expected and actual experience, \$39,787 from the net difference between the projected and actual investment earnings on pension plan investments, \$11,399 from changes in assumptions and \$3,081 from changes in the City's proportional share of contributions related to the City's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$34,692 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the Water Fund is \$110,892.

Deferred outflows of resources in the Sewer Fund consists of \$20,207 from the difference between the expected and actual experience, \$36,656 from the net difference between the projected and actual investment earnings on pension plan investments, \$10,502 from changes in assumptions and \$2,839 from changes in the City's proportional share of contributions related to the City's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$31,962 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the Sewer Fund is \$102,166.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

H. Unearned Revenue

Unearned revenue in the governmental activities consists of \$34,020 of rental property registration fees, \$2,030 of recreation fees, \$2,470,076 of the unspent American Rescue Plan Act (ARPA) grant funds and \$2,500 of other grant revenue received in advance. Total unearned revenue in the governmental activities is \$2,508,626.

Unearned revenue in the General Fund consists of \$34,020 of rental property registration fees and \$2,030 of recreation fees received in advance. Total unearned revenue in the General Fund is \$36,050.

Unearned revenue in the Special Fund consists of \$2,470,076 of the unspent American Rescue Plan Act (ARPA) grant funds and \$2,500 of other grant revenue received in advance. Total unearned revenue in the Special Fund is \$2,472,576.

I. Deferred Inflows of Resources

Deferred inflows of resources in the governmental activities consists of \$283,741 from changes in the City's proportional share of contributions related to the City's participation in the Vermont Municipal Employee's Retirement System (VMERS).

Deferred inflows of resources in the business-type activities consists of \$37,508 from changes in the City's proportional share of contributions related to the City's participation in the Vermont Municipal Employee's Retirement System (VMERS).

Deferred inflows of resources in the General Fund consists of \$219,000 of delinquent property taxes, penalties and interest on those taxes, \$44,000 of ambulance fees, \$396,064 of grant revenue, \$29,819 of a loan receivable and \$2,389 of miscellaneous revenue not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities. Total deferred inflows of resources in the General Fund is \$691,272.

Deferred inflows of resources in the Capital Improvement Fund consists of \$42,576 of grant revenue not collected within sixty (60) days after year end as these would not be available to liquidate current liabilities.

Deferred inflows of resources in the Special Fund consists of \$86,722 of grant revenue not collected within sixty (60) days after year end as these would not be available to liquidate current liabilities.

Deferred inflows of resources in the Water Fund consists of \$19,522 from changes in the City's proportional share of contributions related to the City's participation in the Vermont Municipal Employee's Retirement System (VMERS).

Deferred inflows of resources in the Sewer Fund consists of \$17,986 from changes in the City's proportional share of contributions related to the City's participation in the Vermont Municipal Employee's Retirement System (VMERS).

CITY OF BARRE, VERMONT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2024

J. Short-term Debt

The City has a note payable with Vermont Bond Bank. The terms and activity are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Note Payable, Vermont Bond Bank, Municipal Climate Recovery Fund, Interest at 1.3%, Interest Only Payment Due September, 2024, Principal Balance and Interest Due March, 2025	\$ <u>0</u>	\$ <u>1,500,000</u>	\$ <u>0</u>	\$ <u>1,500,000</u>

K. Long-term Liabilities

The City issues general obligation bonds to provide resources for the acquisition and construction of major capital assets. General obligation bonds have been issued for both general governmental and proprietary activities. 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 and pledge the full faith and credit of the City. New bonds generally are issued as 10 to 20 year bonds. Refunding bonds are issued for various terms based on the debt service of the debt refunded.

The State of Vermont offers a number of low and no-interest revolving loan programs to utilize for predetermined purposes. The City 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 City has borrowed money from the USDA, in the form of a note, for building improvements.

The City has other notes payable to finance various capital projects and purchases through local banks.

The City 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 City 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.

It is the policy of the City to permit employees to accumulate earned but unused benefits. The accrual for unused compensated absences time, based on current pay rates, is recorded in the government-wide financial statements and proprietary fund financial statements.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

The net pension liability is the difference between the total pension liability (the present value of projected benefit payments to employees based on their past service) and the assets (mostly investments reported at fair value) set aside to pay current employees, retirees, and beneficiaries. The accrual for the City’s share of the net pension liability is recorded in the government-wide financial statements and proprietary fund financial statements.

Long-term liabilities outstanding as of June 30, 2024 were 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 \$195,000 Payable on December 1 Annually, Interest Rates Ranging from 3.835% to 4.665% Payable on June 1 and December 1, Due December, 2026	\$ 780,000	\$ 0	\$195,000	\$ 585,000
Bond Payable, Vermont Municipal Bond Bank, North Main Street Improvements, Principal Payments Ranging from \$85,000 to \$90,000 in Total Payable on November 15 Annually, Interest Rates Ranging from 0.80% to 4.66% Payable on May 15 and November 15, Due November, 2031. This is the Governmental Activities Portion of the Bond.	327,855	0	36,428	291,427
Bond Payable, Vermont Municipal Bond Bank, Equipment and Infrastructure Improvements, Principal Payments of \$115,000 Payable on November 1 Annually, Interest Rates Ranging from 2.80% to 5.18% Payable on May 1 and November 1, Due November, 2028	690,000	0	115,000	575,000
Bond Payable, Vermont Municipal Bond Bank, Pool Refurbishment, Principal Payments of \$36,000 Payable on November 1 Annually, Interest Rates Ranging from 1.80% to 5.68% Payable on May 1 and November 1, Due November, 2038	576,000	0	36,000	540,000

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, Vermont Municipal Bond Bank, TIF District Bond, Principal Payments of \$88,000 Payable on November 1 Annually, Interest Rates Ranging from 0.83% to 4.40% Payable on May 1 and November 1, Due November, 2040	\$1,584,000	\$ 0	\$ 88,000	\$1,496,000
Bond Payable, Vermont Municipal Bond Bank, Capital Improvement Projects, Principal Payments of \$83,333 in Total Payable on November 1 Annually, Interest Rates Ranging from 1.35% to 3.25% Payable on May 1 and November 1, Due November, 2049. This is the Governmental Activities Portion of the Bond.	144,673	0	5,358	139,315
Bond Payable, Vermont Municipal Bond Bank, Capital Improvement Projects, Principal Payments of \$56,000 Payable on November 1 Annually, Interest Rates Ranging from 1.35% to 2.70% Payable on May 1 and November 1, Due November, 2030	392,000	0	56,000	336,000
Bond Payable, Vermont Municipal Bond Bank, Public Works Equipment and Infrastructure, Principal Payments of \$76,325 Payable on November 1 Annually, Interest Rates Ranging from 0.45% to 2.901% Payable on May 1 and November 1, Due November, 2041	1,450,175	0	76,325	1,373,850
Note Payable, U.S. Department of Agriculture, City Hall Roof Construction, Principal Payments of \$3,250 Payable on August 20 Annually, Interest at 4.375% Payable on February 20 and August 20, Due August, 2029	22,750	0	3,250	19,500

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Note Payable, Northfield Savings Bank, Aerial Fire Truck, Principal Payments of \$37,500 Plus Interest Payable on November 2 Annually, Interest at 2.75%, Due November, 2036	\$ 525,000	\$ 0	\$ 37,500	\$ 487,500
Note Payable, Union Bank, Flood Mitigation Project, Principal Payments of \$25,000 Plus Interest Payable on October 25 Annually, Interest at 3.36%, Due October, 2037	375,000	0	25,000	350,000
Financed Purchase, Municipal Leasing Consultants, Ambulance, Principal and Interest Payments of \$37,431 Payable on December 27 Annually, Interest at 2.87%, Due and Paid December, 2023	36,386	0	36,386	0
Financed Purchase, Municipal Leasing Consultants, Ambulance, Principal and Interest Payments of \$81,928 Payable on April 21 Annually, Interest at 4.97%, Due April, 2028	355,000	0	64,285	290,715
Financed Purchase, Municipal Leasing Consultants, 2 Plows, Principal and Interest Payments of \$77,515 Payable on April 21 Annually, Interest at 4.97%, Due April, 2030	449,020	0	55,199	393,821
Financed Purchase, Kansas State Bank, Dispatch Consoles and Equipment, Principal and Interest Payments of \$27,952 Payable on August 4 Annually, Interest at 5.17%, Due August, 2027	120,221	0	21,653	98,568
Financed Purchase, Municipal Leasing Consultants, Plow/Excavator, Principal and Interest Payments of \$89,021 Payable on May 6 Annually Beginning May, 2025, Interest at 5.14%, Due May, 2031	<u>0</u>	<u>512,503</u>	<u>0</u>	<u>512,503</u>
Total Governmental Activities	<u>\$7,828,080</u>	<u>\$512,503</u>	<u>\$851,384</u>	<u>\$7,489,199</u>

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Business-type Activities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Water Fund:				
Bond Payable, Vermont Municipal Bond Bank, Water System Construction, Principal Payments Ranging from \$206,236 to \$412,764 Payable on November 15 Annually, Interest at 3.93% Payable on May 15 and November 15, Due November, 2034	\$4,042,465	\$ 0	\$270,116	\$3,772,349
Bond Payable, Vermont Municipal Bond Bank, North Main Street Improvements, Principal Payments Ranging from \$85,000 to \$90,000 in Total Payable on November 15 Annually, Interest Rates Ranging from 0.80% to 4.66% Payable on May 15 and November 15, Due November, 2031. This is the Water Fund Portion of the Bond.	127,647	0	14,183	113,464
Bond Payable, Vermont Municipal Bond Bank, Water Projects, Principal Payments of \$83,333 in Total Payable on November 1 Annually, Interest Rates Ranging from 1.35% to 3.25% Payable on May 1 and November 1, Due November, 2049. This is the Water Fund Portion of the Bond.	1,093,951	0	40,517	1,053,434
Bond Payable, Vermont Municipal Bond Bank, Water Equipment & Infrastructure, Principal Payments of \$3,838 Payable on November 1 Annually, Interest Rates Ranging from 0.45% to 2.90% Payable on May 1 and November 1, Due November, 2041	72,912	0	3,838	69,074
Bond Payable, State of Vermont Special Environmental Revolving Fund, Deep Rock Water System, Principal Payments of \$7,389 Payable on December 1 Annually, 0% Interest, Due December, 2035	96,059	0	7,389	88,670

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, State of Vermont Special Environmental Revolving Fund, Hydro Power Turbine, Principal Payments of \$9,298 Payable on July 1 Annually, 0% Interest, Due July, 2044	\$ 195,263	\$ 0	\$ 9,298	\$ 185,965
Bond Payable, State of Vermont Special Environmental Revolving Fund, Trestle Project, Principal Payments of \$13,777 Payable on November 1 Annually, 0% Interest, Due November, 2045	316,886	0	13,777	303,109
Bond Payable, State of Vermont Special Environmental Revolving Fund, Asset Management Plan, Authorized to \$50,000 but Eligible for \$37,500 Subsidy, Principal Payments of \$2,500 Payable on January 1 Annually Beginning January, 2027, 0% Interest, Due January, 2031	12,500	0	0	12,500
Bond Payable, State of Vermont Special Environmental Revolving Fund, Service Line Inventory, Authorized to \$450,000 but Eligible for 100% Subsidy on First \$100,000 and 50% Subsidy on Remaining Portion, Principal Payments of \$35,000 Payable on August 1 Annually Beginning August, 2028, 0% Interest, Due August, 2032. The City Recognized \$15,000 of the Subsidy During the Year.	0	15,000	15,000	0
Note Payable, Community National Bank, Orange Reservoir Spillway, Principal and Interest Payments of \$68,771 Payable on October 14 Annually, Interest at 2.25%, Due October, 2025	<u>197,472</u>	<u>0</u>	<u>64,327</u>	<u>133,145</u>
Total Water Fund	<u>6,155,155</u>	<u>15,000</u>	<u>438,445</u>	<u>5,731,710</u>

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Sewer Fund:				
Bond Payable, Vermont Municipal Bond Bank, Sewer System Construction, Principal Payments Ranging from \$59,980 to \$117,692 Payable on November 15 Annually, Interest at 3.93% Payable on May 15 and November 15, Due November, 2034	\$ 504,712	\$ 0	\$104,839	\$ 399,873
Bond Payable, Vermont Municipal Bond Bank, North Main Street Improvements, Principal Payments Ranging from \$85,000 to \$90,000 in Total Payable on November 15 Annually, Interest Rates Ranging from 0.80% to 4.66% Payable on May 15 and November 15, Due November, 2031. This is the Sewer Fund Portion of the Bond.	309,501	0	34,389	275,112
Bond Payable, Vermont Municipal Bond Bank, Wastewater Projects, Principal Payments of \$83,333 in Total Payable on November 1 Annually, Interest Rates Ranging from 1.35% to 3.25% Payable on May 1 and November 1 Due November, 2049. This is the Sewer Fund Portion of the Bond.	1,011,373	0	37,458	973,915
Bond Payable, Vermont Municipal Bond Bank, Biosolid Projects, Principal Payments of \$45,000 Payable on November 1 Annually, Interest Rates Ranging from 1.35% to 3.123% Payable on May 1 and November 1, Due November, 2039	765,000	0	45,000	720,000
Bond Payable, Vermont Municipal Bond Bank, Sewer Equipment & Infrastructure, Principal Payments of \$4,838 Payable on November 1 Annually, Interest Ranging from 0.45% to 2.90% Payable on May 1 and November 1, Due November, 2041	91,912	0	4,838	87,074

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, State of Vermont Special Environmental Revolving Fund, Sewer Treatment Plant HVAC Project, Principal and Interest Payments of \$11,319 Payable on February 1 Annually, Interest at 2%, Due February, 2032	\$ 92,387	\$ 0	\$ 9,471	\$ 82,916
Bond Payable, State of Vermont Special Environmental Revolving Fund, Headworks Refurbishment Project, Authorized to \$202,400 but Eligible for \$100,000 Subsidy, Principal Payments of \$10,240 Payable on September 1 Annually Beginning September, 2029, 0% Interest, Due September, 2038. The City Recognized \$17,173 of the Subsidy During the Year.	0	34,764	17,173	17,591
Bond Payable, State of Vermont Special Environmental Revolving Fund, 20 Year Evaluation Plan, Authorized to \$139,900 but Eligible for \$69,950 Subsidy, Principal Payments of \$6,995 Payable on February 1 Annually Beginning February 1, 2029, 0% Interest, Due February, 2038. The City Recognized \$20,727 of the Subsidy During the Year.	<u>0</u>	<u>41,454</u>	<u>20,727</u>	<u>20,727</u>
Total Sewer Fund	<u>2,774,885</u>	<u>76,218</u>	<u>273,895</u>	<u>2,577,208</u>
Total Business-type Activities	<u>\$8,930,040</u>	<u>\$91,218</u>	<u>\$712,340</u>	<u>\$8,308,918</u>

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Changes in long-term liabilities during the year were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
General Obligation Bonds Payable	\$ 5,944,703	\$ 0	\$ 608,111	\$ 5,336,592	\$ 608,111
Notes Payable	922,750	0	65,750	857,000	65,750
Financed Purchases	960,627	512,503	177,523	1,295,607	210,886
VMERS Delayed Enrollment Liability	34,000	0	17,000	17,000	17,000
Compensated Absences Payable	594,320	0	721	593,599	0
Net Pension Liability	5,157,870	0	74,858	5,083,012	0
Total Governmental Activities					
Long-term Liabilities	<u>\$ 13,614,270</u>	<u>\$ 512,503</u>	<u>\$ 943,963</u>	<u>\$ 13,182,810</u>	<u>\$ 901,747</u>
Business-type Activities					
General Obligation Bonds Payable	\$ 8,732,568	\$ 91,218	\$ 648,013	\$ 8,175,773	\$ 610,039
Notes Payable	197,472	0	64,327	133,145	65,777
Compensated Absences Payable	122,273	31,117	0	153,390	0
Net Pension Liability	651,902	20,010	0	671,912	0
Total Business-type Activities					
Long-term Liabilities	<u>\$ 9,704,215</u>	<u>\$ 142,345</u>	<u>\$ 712,340</u>	<u>\$ 9,134,220</u>	<u>\$ 675,816</u>

Compensated absences and required contributions to the pension plans are paid by the applicable fund where the employee is charged.

The change in the net pension liability is allocated to the function where the employee is charged.

Debt service requirements to maturity are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	884,747	235,864	675,816	257,369
2026	895,399	209,598	692,917	236,032
2027	906,586	185,727	644,163	214,098
2028	723,337	161,031	598,569	193,787
2029	625,802	134,936	558,174	174,789
2030-2034	1,748,492	431,765	2,866,432	496,936
2035-2039	1,240,915	187,460	1,201,180	192,109
2040-2044	431,768	24,997	576,263	108,800
2045-2049	26,795	3,046	417,429	44,329
2050	5,358	87	77,975	1,267
Total	<u>\$ 7,489,199</u>	<u>\$ 1,574,511</u>	<u>\$ 8,308,918</u>	<u>\$ 1,919,516</u>

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

L. Fund Balances

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

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

Some governments create stabilization-like arrangements by establishing formal minimum fund balance policies. The City 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 City'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 funds are nonspendable as follows:

Major Funds

General Fund:

Nonspendable Prepaid Items	\$ 19,253
Nonspendable Inventory	<u>60,479</u>
Total General Fund	<u>79,732</u>

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Capital Improvement Fund:	
Nonspendable Inventory	\$ <u>9,200</u>

Non-Major Funds

Permanent Fund:	
Nonspendable Cemetery Trust Fund Principal	834,306
Total Nonspendable Fund Balances	<u>\$923,238</u>

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

Major Funds

Capital Improvement Fund:	
Restricted for Street and Sidewalk Reconstruction, Capital Equipment and Capital Improvement Needs by Charter (Source of Revenue is Local Option Taxes)	\$ 854,105
Restricted for Capital Improvements by Unspent Bond Proceeds (Source of Revenue is Bond Proceeds)	475,735
Restricted for Purchase of Capital Equipment and Vehicles by Unspent Lease Proceeds (Source of Revenue is Lease Proceeds)	<u>1,039,503</u>
Total Capital Improvement Fund	<u>2,369,343</u>

Special Fund:	
Restricted for Donation Fund Expenditures by Donations (Source of Revenue is Donations)	19,834
Restricted for Opioid Crisis Abatement Expenses by Settlement Agreement (Source of Revenue is Opioid Settlement Funds)	80,667
Restricted for Restoration of Records by Statute (Source of Revenue is Recording Fees)	146,612
Restricted for Energy Committee Expenses by Donations (Source of Revenue is Donations)	2,503
Restricted for BOR/Civic Center Expenses by Donations (Source of Revenue is Donations)	179,425
Restricted for Recreation Expenses by Grant Agreement (Source is Grant Revenue)	3,506
Restricted for K-9 Equipment Expenses by Donations (Source of Revenue is Donations)	<u>925</u>
Total Special Fund	<u>433,472</u>

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Non-Major Funds

Special Revenue Funds:

Restricted for Community Development by Grant Agreements (Source of Revenue is Grant Revenue)	\$ 2,839
Restricted for Drug Forfeiture Expenditures by Agreement (Source of Revenue is Grant Revenue)	49,692
Restricted for Semprebon Fund for the Bike Path and Other Non-Operating Expenditures by Bequest (Source of Revenue is Donations)	<u>674,789</u>
Total Special Revenue Funds	<u>727,320</u>

Capital Projects Funds:

Restricted for Semprebon Fund for the Bike Path and Other Non-Operating Expenditures by Bequest – Designated for Shade Tree Improvement Expenditures (Source of Revenue is Donations)	5,265
Restricted for TIF District Debt Service by Charter (Source of Revenue is Property Taxes)	<u>467,418</u>
Total Capital Projects Funds	<u>472,683</u>

Permanent Fund:

Restricted for Cemetery Trust Fund Expenditures by Endowments and Trust Agreements	<u>292,570</u>
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Total Non-Major Funds	<u>1,492,573</u>
Total Restricted Fund Balances	<u>\$4,295,388</u>

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

Major Funds

Capital Improvement Fund:

Committed for Capital Improvement Expenditures by the Voters	<u>\$341,192</u>
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Total Committed Fund Balances	<u>\$341,192</u>
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CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

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

Major Funds

General Fund:

Assigned to Reduce Property Taxes in Fiscal Year 2025	\$1,000,000
Assigned for Transfer to Capital Improvement Fund	50,000
Assigned for Building Repairs from Flood Damage	204,301
Assigned for Committee Expenditures	<u>1,358</u>

Total General Fund	<u>1,255,659</u>
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Capital Improvement Fund:

Assigned for Capital Improvement Expenditures	<u>65,211</u>
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Special Fund:

Assigned for Reappraisal Expenses	421,548
Assigned for Recreation Programs	3,826
Assigned for ARPA Expenses	59,689
Assigned for Hope Cemetery Expenses	60,216
Assigned for Energy Committee Expenses	1,935
Assigned for Bike Path Maintenance Expenses	102,042
Assigned in Excess of Available Fund Balance	<u>(85,923)</u>

Total Special Fund	<u>563,333</u>
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Non-Major Funds

Capital Projects Funds:

Assigned for Shade Tree Improvement Expenditures	24,928
Assigned for BOR Turf Expenditures	<u>3,494</u>

Total Non-Major Funds	<u>28,422</u>
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Total Assigned Fund Balances	<u>\$1,912,625</u>
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CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

M. Restricted and Designated Net Position

The restricted net position of the City as of June 30, 2024 consisted of the following:

Governmental Activities:

Restricted for Street and Sidewalk Reconstruction, Capital Equipment and Capital Improvement Needs by Charter	\$ 854,105
Restricted for Special Fund Expenditures by Donations, Statute, Grant Revenue and Settlement Agreement	433,472
Restricted for Community Development by Grant Agreements	2,839
Restricted for Drug Forfeiture Expenditures by Agreement	49,692
Restricted for Semprebon Fund for the Bike Path and Other Non-Operating Expenditures by Bequest	680,054
Restricted for TIF District Debt Service by Charter	467,418
Restricted for Cemetery Trust Fund Expenditures by Endowments and Trust Agreements – Non-Expendable Portion – Estimated	834,306
Restricted for Cemetery Trust Fund Expenditures by Endowments and Trust Agreements – Expendable Portion	<u>292,570</u>
Total Governmental Activities	<u>\$3,614,456</u>

The unrestricted deficit in the Sewer Fund of \$1,980,645 will be funded in future years with additional revenues.

The net position held in trust for various purposes in the City's Private-Purpose Trust Funds as of June 30, 2024 consisted of the following:

Private-Purpose Trust Funds:

Restricted for Brusa Fund by Bequest	<u>\$88,998</u>
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V. OTHER INFORMATION

A. Benefit 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.

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 City's proportionate share of this was 1.7968% resulting in a net pension liability of \$5,754,924. 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 City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating municipalities, actuarially determined. The City's proportion of 1.7968% was a decrease of 0.1183 from its proportion measured as of the prior year.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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For the year ended June 30, 2024, the City recognized pension expense of \$1,118,012 which was comprised of \$1,087,548 determined by the State of Vermont’s actuary and \$30,464 of employer contributions made by the City in excess of the amount required. The total employer contribution made by the City was \$601,358.

As of June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 360,919	\$ 0
Net difference between projected and actual investment earnings on pension plan investments	654,740	0
Changes in assumptions	187,580	0
Changes in proportion and differences between employer contributions and proportionate share of contributions	50,704	321,249
City's required employer contributions made subsequent to the measurement date	570,894	0
	\$ 1,824,837	\$ 321,249

The deferred outflows of resources resulting from the City’s required employer contributions made subsequent to the measurement date in the amount of \$570,894 will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending <u>June 30</u>	
2025	\$333,503
2026	108,443
2027	504,296
2028	(13,548)
Total	\$932,694

Summary of Plan Provisions

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

Creditable Service – Service as a member plus purchased service.

CITY OF BARRE, VERMONT
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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.

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.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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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.

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.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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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.

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.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

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.

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.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Discount Rate Sensitivity

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the City'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>
\$8,662,052	\$5,754,924	\$3,365,379

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.

Defined Contribution Plan

The City provides its employees a defined contribution pension plan. The City Pension Plan and Trust (the Plan) is administered by the City. Employees are eligible after reaching the age of 18 and completing two years of service. The Plan may be amended at any time, however, Plan assets may not be used for any other purpose and amendments may not cause any reduction in the amount credited to employee's accounts. The City's required contribution rate for fiscal year 2024 was 6% for employees with less than ten years of service, 8% for employees with more than ten but less than twenty years of service, and 12% for employees with more than twenty years of service. The City has not allowed new entrants into the plan since June 30, 2007.

Employees are allowed to contribute after-tax earnings. Additionally, the City will contribute a match of one half of employee contributions up to a maximum of 4%. The City's total payroll was \$7,880,627 while its covered payroll for this plan was \$259,967. During the year ended June 30, 2024, the City contributed \$41,595 to the Plan. Employees are 20% percent vested after two years of services and the vested portion increases 20% each year until fully vested after six years of service. All of the investments are self-directed by each employee.

Deferred Compensation Plan

The City also offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The City is the administrator of the plan. The plan permits employees to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The City has no liability for losses under this plan, but does have the duty of due care that would be required of an ordinary prudent investor. All of the investments are self-directed by each employee.

CITY OF BARRE, VERMONT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2024

B. Risk Management

The City is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City 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 City. Settled claims have not exceeded this coverage in any of the past three fiscal years. The City 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 City is also a member of the Vermont League of Cities and Towns Employment Resource and Benefits Trust. The Trust is a nonprofit corporation formed to provide unemployment coverage and other employment benefits for Vermont municipalities and is owned by the participating members. The agreement does not permit the Trust to make additional assessments to its members. The City has only elected unemployment coverage with the Trust.

C. Property Taxes

The City is responsible for assessing and collecting its own property taxes, as well as education property taxes for the State of Vermont. Property taxes are assessed based on property valuations as of April 1, the voter approved budgets, voter and City Council approved exemptions and stabilizations, and the State education property tax liability. Property taxes are collected four (4) times per year. During the tax year ended June 30, 2024, property taxes became due and payable on October 2, 2023, November 15, 2023, February 15, 2024 and May 15, 2024. The City assesses a 3% penalty when each installment becomes delinquent and an additional 5% penalty if any or all of the account remains delinquent after thirty days, and interest is assessed at 1% per month or part thereof. 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>
Education	1.4066	1.6808
Municipal	2.1094	2.1094
Local Agreement	<u>0.0052</u>	<u>0.0052</u>
Total	<u>3.5212</u>	<u>3.7954</u>

D. Gift Annuity

The City receives an annual payment of approximately \$60,000 in perpetuity from a gift annuity established by the late Charles Semprebton through the Vermont Community Foundation. The City is the sole beneficiary of the annuity which there is a preference, but it is not limited, to be spent on improvements to infrastructure such as public roads, bridges and buildings.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

E. Contingent Liabilities

The City is a participating member in the Central Vermont Solid Waste District. The City could be subject to a portion of the District's debt if the District experiences financial problems.

The City 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 City expects such amounts, if any, to be immaterial.

There are currently pending claims against the City where the City's insurance carrier is providing defense. The City is vigorously defending the claims. The City and the insurer do not believe that the claims could exceed the insurance policy limits in the event of unfavorable rulings.

F. Tax Increment Financing District

The City Council approved the establishment of a Tax Increment Financing (TIF) District on August 27, 2012 which was later approved by the Vermont Economic Progress Council (VEPC) on December 13, 2012. The TIF District allows the City to undertake and pay for infrastructure improvements that allows for increased economic and community development. The City cannot incur any new TIF District debt until each project or group of projects is approved by VEPC and then by the voters. The City approved TIF District projects totaling \$2,200,000 on November 5, 2013. TIF District debt will be paid by TIF revenue, however, is a general obligation of the City if TIF District revenues are not sufficient. With a TIF District, the value of properties within the District are frozen at the time the District is created. All property taxes generated by the original base continue to go to the municipal General Fund and the State Education Fund. For twenty (20) years from first debt incursion, the municipal and education property taxes generated by any "new" development are shared with 75% going to finance TIF District infrastructure debt and 25% going to the municipal General Fund and State Education Fund.

G. Property Tax Stabilization Agreements

STATEMENT OF PURPOSE

The primary objective of the Barre City Tax Stabilization Policy (the "Policy") is to promote the vitality and growth of the local economy while expanding the property tax base of the City for the long term public benefit of all residents and all taxpayers of the City of Barre. Tax stabilization is one method that can be utilized to help achieve this objective; and to this end, industrial and commercial enterprises and expanded multi-family residential real estate projects should be encouraged.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

AUTHORITY

The City Council has the authority to adopt this Policy and has general authority to approve tax stabilization contracts relating to eligible projects involving the development of or renovations to industrial and commercial enterprises and expanded multi-family residential property (the "Project or "Projects") as application is made as a result of an action taken by the voters of the City of Barre at the Annual City Meeting held on March 3, 1987 and on March 1, 2005. Authority is further granted by the City of Barre Charter, Article II, Section 322, and by Vermont State Law Title 24 V.S.A. Ch. 75 §2741 et. seq.

GENERAL CRITERIA

- A. Tax stabilization contracts (hereinafter referred to as the "Stabilization Agreement" or the "Agreement") will be awarded only to eligible Projects that substantially advance the purpose of the Policy after thorough consideration by the City Assessor and the City Manager and City Council of the municipal benefits of a Project as presented by an Applicant.
- B. In the event that an Applicant wants to have an Agreement go into effect on July 1st of the upcoming fiscal year, then a written application must be filed on or before April 1st in order to consummate an Agreement by June 1st. Applications will be accepted at any time during the year.
- C. Applications must be received and approved before construction can commence on the property.
- D. All Projects shall be reviewed by the City Council and shall substantially meet the following criteria where applicable to the particular property or Project:
 - 1. Creation of new jobs or retention of existing jobs. Greater weight will be given to jobs with higher quality wages and benefits;
 - 2. Creation of new and improved multi-family residential housing units;
 - 3. Elimination of blight, improvement of aesthetics, and preservation of historic structure;
 - 4. Removal of environmental hazards such as hazardous waste, noise, dust or odor;
 - 5. Impact on municipal services;
 - 6. The Project shall be consistent with the municipal plan.

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

CONTRACT TERMS

- A. Stabilization Agreements are negotiable, may be awarded at the discretion of the City Council, and shall be based on an incremental increase in taxes based on the increase in assessed value due to the project pursuant to a formula established by the City Assessor as presented below and as may be amended from time to time and approved by the City Council in order to carry out the intent of this Policy.
- B. An approved Stabilization Agreement shall be for a specified number of years based on the amount of provable investment in the Project and shall adhere to the following schedule:
 - 1. 1 to 3 years for \$50,000-\$99,999 improvements;
 - 2. 4 years for \$100,000-\$199,999 improvements;
 - 3. 5-10 years for a project involving improvements of \$200,000 or more with the length of time to be determined at the discretion of the City Council after consideration of the recommendation of the City Assessor and City Manager.
- C. The tax Stabilization Agreement will include all of the municipal portion of the taxes and a percentage of between 0 and 100 percent of the education portion of property taxes. Where appropriate, the Applicant will be encouraged to apply to the Vermont Economic Progress Council (VEPC) for abatement of the education portion of the tax stabilization for projects.
- D. The City Council reserves the right to identify City prioritized areas and can thus award a bonus percentage of the education portion of the taxes to the Applicant's Project.
- E. A termination and rollback clause shall be included in the Stabilization Agreement providing for termination of the Stabilization Agreement by the City Council and repayment of all taxes that would have been due in the absence of a Stabilization Agreement plus applicable penalties and interest proscribed below, required to be repaid effective as of the date of final determination made by the City Council hereunder. This termination and rollback clause may be invoked by the City Council upon the recommendation of the City Assessor or Barre City Manager in the event that during the term of the Stabilization Agreement:
 - 1. There is a material change in the use of the property or in the nature of the Project;
 - 2. The property or Project is sold or transferred to any person other than the original Applicant or Applicants, is abandoned, moved, or the Applicant files for bankruptcy;

CITY OF BARRE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

3. The Project does not comply with the terms of the Agreement, or the Project is not completed as it was presented during the application process;
4. Property tax payments on the property become delinquent;
5. The Project fails to comply with any zoning, building, plumbing, electrical, life safety codes or ordinances;
6. The Agreement is terminated at the request of the Project owner/Applicant.

During the fiscal year ended June 30, 2024, the City had two (2) tax stabilization contracts in effect with a total impact of \$3,022 and one (1) voter approved tax exemption in effect with a total impact of \$3,785, which was spread over all other taxable properties. In addition, the City also had veterans' exemptions totaling \$19,143, which was also spread over all other taxable properties. The impact on education taxes was \$25,950, which was taken into consideration when calculating the local agreement tax rate.

H. Big Dig Project

In May 2019, an agreement was reached between the Vermont Agency of Transportation and the City of Barre for the local share portion of the "Big Dig" project. The final payment date was extended by Vermont Agency of Transportation until 2025 due to the financial constraints experienced by the City as a result of the July, 2023 flood event. The remaining payment is as follows:

2025	\$104,022
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I. Subsequent Events

The City of Barre was named a residual beneficiary to the Mr. Eugene A. Cozzi Trust. In January 2025, the City received \$2.4 million to be used solely for Hope Cemetery capital improvements and \$1.6 million to be used solely for capital improvements to the City. As Mr. Cozzi's estate is finalized, it is expected that additional funds will be distributed to the City.

CITY OF BARRE, VERMONT
REQUIRED SUPPLEMENTARY INFORMATION
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues:			
General Tax Revenue:			
General Taxes	\$ 10,023,107	\$ 9,712,726	\$ (310,381)
Washington County Tax	43,569	43,569	0
Voter Approved Assistance	149,601	149,601	0
Barre Area Development, Inc.	20,482	20,482	0
	<u>10,236,759</u>	<u>9,926,378</u>	<u>(310,381)</u>
Total General Tax Revenue			
Business Licenses:			
Liquor Licenses	3,000	3,065	65
Miscellaneous Licenses	1,000	355	(645)
Restaurant Licenses	0	4	4
Taxicab and Taxidriver Licenses	200	315	115
Theater Licenses	252	0	(252)
Trucking, Rubbish and Waste	5,200	8,290	3,090
Entertainment	3,000	2,940	(60)
Cannabis Licenses	200	0	(200)
	<u>12,852</u>	<u>14,969</u>	<u>2,117</u>
Total Business Licenses			
Payment in Lieu of Taxes:			
Capstone	25,500	25,872	372
Barre Housing	45,000	74,992	29,992
State of Vermont	283,000	304,252	21,252
	<u>353,500</u>	<u>405,116</u>	<u>51,616</u>
Total Payment in Lieu of Taxes			
Fees and Franchises:			
Animal Control Licenses	5,800	5,086	(714)
Tax Equalization	0	3,353	3,353
Hold Harmless	0	8,120	8,120
Act 68 Administration Revenue	15,500	16,172	672
Building and Zoning Fees	45,000	50,083	5,083
Vehicle Registrations	200	191	(9)
Delinquent Tax Collector Fee	42,000	42,651	651
Parking Meters	80,000	124,158	44,158
Green Mountain Passports	50	68	18
Parking Permits	77,552	87,843	10,291
Marriage Licenses	580	960	380
Miscellaneous Income	800	20,906	20,106
Police Department Fees	5,000	5,305	305
Recording Fees	85,000	88,425	3,425
Recreation Fees	500	5,120	4,620
Swimming Pool Admissions/DAY CAMP	19,000	19,857	857
Vault Fees	1,000	686	(314)

See Disclaimer in Accompanying Independent Auditor's Report.

CITY OF BARRE, VERMONT
REQUIRED SUPPLEMENTARY INFORMATION
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BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Fees and Franchises/(Cont'd):			
Fire Alarm Maintenance Fees	\$ 14,350	\$ 13,643	\$ (707)
Rental Property Registration	133,400	121,315	(12,085)
Delinquent Rental Permits	1,000	47	(953)
Burn Permits	4,000	2,840	(1,160)
Credit Card Processing Fees	11,500	14,839	3,339
FD Public Report Fee	100	100	0
EV Charging Station	300	0	(300)
Time of Sale Inspection Fees	3,500	1,125	(2,375)
Vacant Building Registration	5,000	4,800	(200)
Excavation Permits	5,000	16,935	11,935
Stormwater Connection Fees	1,250	0	(1,250)
Overweight Permits	600	140	(460)
Total Fees and Franchises	557,982	654,768	96,786
Fines and Penalties:			
City Ordinance Violations	4,000	4,182	182
Penalties and Interest on Miscellaneous Fines	2,600	1,499	(1,101)
Delinquent Tax Interest	32,000	32,559	559
Traffic Court	10,000	20,120	10,120
Parking Tickets	40,000	23,257	(16,743)
Total Fines and Penalties	88,600	81,617	(6,983)
Federal and State Aid:			
Federal Grants	0	5,178	5,178
Highway Aid	140,000	150,636	10,636
COPS Police Grant	71,961	49,590	(22,371)
Police Grants	2,800	3,910	1,110
State SIU Grant	60,000	75,000	15,000
ODV Circle Grant	35,000	0	(35,000)
Total Federal and State Aid	309,761	284,314	(25,447)
Rents and Leases:			
BOR Turf Rentals	0	6,836	6,836
Auditorium	49,106	60,015	10,909
Alumni Rental/lease	7,200	6,451	(749)
BOR Rents and Leases	140,987	137,170	(3,817)
Special Projects - Custodial Fees	8,360	14,293	5,933
Miscellaneous Rents	0	893	893
Total Rents and Leases	205,653	225,658	20,005

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CITY OF BARRE, VERMONT
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BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Charges for Services:			
Ambulance Inc - Lift Assist	\$ 525,000	\$ 613,143	\$ 88,143
Enterprise Funds	1,047,853	1,047,853	0
City Report - School	2,500	2,500	0
Operation/Maintenance - Jail	0	500	500
Dispatch Services	56,257	79,356	23,099
School Resource Officers	81,623	112,163	30,540
Special Projects - Police Detail	15,000	21,060	6,060
Special Projects - Fire Detail	7,000	7,455	455
	<u>1,735,233</u>	<u>1,884,030</u>	<u>148,797</u>
Total Charges for Services			
Cemetery Revenue:			
Rents	5,573	5,573	0
Flower Trust Fund Transfer	500	500	0
Trust Fund Interest	25,000	25,000	0
Entombments	600	1,750	1,150
Foundations	10,545	4,886	(5,659)
Interments	83,525	91,343	7,818
Markers/Post	1,500	1,870	370
Tent Setups	500	0	(500)
Lot Sales	22,500	23,346	846
Tours/DVD Sales	1,250	945	(305)
Cemetery Mausoleum Fund	1,500	1,500	0
	<u>152,993</u>	<u>156,713</u>	<u>3,720</u>
Total Cemetery Revenue			
Miscellaneous Revenue:			
Interest Income	1,800	48,061	46,261
Transfers from Other Funds	49,817	49,817	0
Semprebon Annuity	50,000	61,904	11,904
	<u>101,617</u>	<u>159,782</u>	<u>58,165</u>
Total Miscellaneous Revenue			
Total Revenues	<u>13,754,950</u>	<u>13,793,345</u>	<u>38,395</u>

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CITY OF BARRE, VERMONT
REQUIRED SUPPLEMENTARY INFORMATION
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BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Expenditures:			
Administrative and General:			
Personnel Services	\$ 8,000	\$ 6,363	\$ 1,637
FICA	612	444	168
Consulting Services	0	11,411	(11,411)
City Council's Expenses	12,500	11,195	1,305
Telephone	52,222	80,116	(27,894)
Office Machines Maintenance	10,300	11,634	(1,334)
Single Audit	9,000	0	9,000
Annual Audit	28,000	33,600	(5,600)
City Report	5,550	6,078	(528)
Dues/Membership Fees	27,760	26,251	1,509
Holiday Observance	2,000	4,432	(2,432)
Postage Meter Contract	1,980	2,150	(170)
Advertising/Printing	25,000	18,101	6,899
Office Machines Supplies	10,925	10,699	226
Postage For Meter	17,500	13,708	3,792
Email Licenses	9,046	8,774	272
Software/City Hall	28,645	41,757	(13,112)
Printer/City Hall	5,078	5,618	(540)
Working Community Grant Match	5,000	0	5,000
Interpretive Services	1,000	0	1,000
Computer Replacement Program	13,000	4,931	8,069
	<u>273,118</u>	<u>297,262</u>	<u>(24,144)</u>
Total Administrative and General			
Assessor:			
Personnel Services	119,318	65,672	53,646
Overtime	1,000	22	978
FICA	9,204	5,071	4,133
Training and Development	750	50	700
Equipment Purchase/SW Licenses	6,500	4,290	2,210
Glasses	200	291	(91)
Contracted Services	0	54,880	(54,880)
	<u>136,972</u>	<u>130,276</u>	<u>6,696</u>
Total Assessor			
Legal Expenses:			
Professional Services - City Attorney	27,500	39,232	(11,732)
Professional Services - Labor	2,500	6,100	(3,600)
Contract Negotiations	10,000	14,438	(4,438)
	<u>40,000</u>	<u>59,770</u>	<u>(19,770)</u>
Total Legal Expenses			

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GENERAL FUND
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	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
City Manager:			
Personnel Services	\$ 320,826	\$ 297,105	\$ 23,721
FICA	22,601	22,254	347
IT Contract	1,000	1,978	(978)
Website Vendor Maintenance	1,250	0	1,250
Network HW/SW Expenses	200	313	(113)
IT Expenses	6,916	4,032	2,884
Training/Development	1,000	331	669
Manager's Expenses	250	1,714	(1,464)
Secure Shred	625	1,130	(505)
Dues/Memberships	350	181	169
Car Maintenance and Supplies	2,760	2,760	0
Glasses	570	0	570
Total City Manager	358,348	331,798	26,550
Finance:			
Personnel Services	222,948	198,923	24,025
Overtime Allowance	200	392	(192)
FICA	17,071	14,290	2,781
Consultant Fees	0	1,430	(1,430)
Training/Development	1,000	176	824
Travel/Meals	200	0	200
Equipment Purchase Contract	5,465	5,461	4
Glasses	565	299	266
Computer Forms	1,000	364	636
Annual Disaster Recovery	575	648	(73)
Total Finance	249,024	221,983	27,041
Elections:			
Personnel Services	2,000	5,164	(3,164)
Program Materials	5,000	5,207	(207)
BCA Expenses	500	535	(35)
Total Elections	7,500	10,906	(3,406)

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	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Clerk's Office:			
Personnel Services	\$ 203,696	\$ 234,494	\$ (30,798)
Overtime Allowance	500	706	(206)
FICA	15,621	16,830	(1,209)
Training/Development	750	624	126
Travel/Meals	300	89	211
Maintenance of Office Machines	200	2,028	(1,828)
Recording of Records	13,000	13,560	(560)
Credit Card Expenses	11,500	18,891	(7,391)
Glasses	753	745	8
Program Materials	3,500	3,661	(161)
	<u>249,820</u>	<u>291,628</u>	<u>(41,808)</u>
Animal Control:			
Professional Services/Fees	1,500	423	1,077
Humane Society Fees	8,000	0	8,000
	<u>9,500</u>	<u>423</u>	<u>9,077</u>
Fire Department:			
Regular Salaries	1,445,552	1,363,916	81,636
Overtime Salaries	164,816	260,150	(95,334)
Part-Time Employees	4,100	512	3,588
FICA	123,507	119,595	3,912
Consulting Fees	1,000	3,175	(2,175)
Ambulance Revenue Tax	17,325	17,763	(438)
Training/Development	4,500	4,222	278
Emgt Training/Development	5,300	382	4,918
Travel/Meals	500	784	(284)
Ambulance Billing Training	1,500	850	650
Paramedic Training	15,000	14,205	795
Dues/Membership Fees	2,500	1,675	825
Fire Radio System Upgrade	6,256	11,896	(5,640)
Physicals	3,200	2,468	732
Breathing Apparatus	15,000	4,778	10,222
Fire Hose	7,500	4,106	3,394
Radios/Pagers	5,000	1,076	3,924

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	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Fire Department/(Cont'd):			
Car and Truck Maintenance	\$ 30,000	\$ 41,981	\$ (11,981)
Radio Repair	3,000	7,674	(4,674)
Fire Alarm Maintenance	4,000	4,220	(220)
Secure Vacant Property	500	363	137
Vehicle Replacement	5,000	0	5,000
Fuel Oil	200	0	200
Vehicle Fuel	24,180	22,353	1,827
Clothing	20,000	16,187	3,813
Safety Equipment	20,000	63,755	(43,755)
Footwear	4,850	3,016	1,834
Glasses	4,190	440	3,750
Dry Cleaning	600	244	356
Furniture/Appliances	2,000	665	1,335
Ambulance Bill Mailers	2,400	5,789	(3,389)
Ambulance Contract Billing	0	50,282	(50,282)
Office Supplies	5,000	1,250	3,750
Medical Supplies and Equipment	30,000	34,598	(4,598)
Oxygen	3,000	2,716	284
Training Supplies	1,000	1,123	(123)
Defibrillator Preventative Maintenance	18,331	1,342	16,989
Fire Prevention Program	250	287	(37)
Computer Software/Office Equipment	22,400	14,255	8,145
	<u>2,023,457</u>	<u>2,084,093</u>	<u>(60,636)</u>
Total Fire Department			
City Hall Maintenance:			
Personnel Services	38,440	12,208	26,232
Overtime	0	676	(676)
FICA	2,941	1,018	1,923
City Hall Electricity	8,460	11,222	(2,762)
City Hall Solar Project	10,813	7,177	3,636
Rubbish Removal	3,000	3,141	(141)
Water Bills	3,125	2,855	270
City Hall Improvements/Repairs	23,694	31,635	(7,941)
Fuel Oil	57,861	44,675	13,186
Clothing	715	227	488
Footwear	100	0	100
Glasses	100	0	100
Custodial Supplies	1,500	2,871	(1,371)
Building/Grounds Supplies	1,500	804	696
	<u>152,249</u>	<u>118,509</u>	<u>33,740</u>
Total City Hall Maintenance			

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	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Meters:			
Personnel Services	\$ 75,761	\$ 76,178	\$ (417)
FICA	5,796	5,853	(57)
Electricity - Merchant's Row	1,000	3,612	(2,612)
Towing Fees	4,000	4,414	(414)
MIFI	1,500	451	1,049
Meter Maintenance	2,000	3,057	(1,057)
Meter Coin Handling	0	383	(383)
Clothing	1,000	0	1,000
Footware	350	335	15
Glasses	185	25	160
Meter Supplies	3,500	7,242	(3,742)
Meter Systems - Software	4,125	4,229	(104)
Program Materials	1,000	1,107	(107)
Meter Handhelds Replacement	4,000	2,883	1,117
	<u>104,217</u>	<u>109,769</u>	<u>(5,552)</u>
Police Department:			
Regular Salaries	1,411,012	1,255,424	155,588
Part-Time Officers	10,000	4,704	5,296
COPS Grant	129,626	129,590	36
Overtime	278,292	257,705	20,587
Training Payroll	20,000	39,881	(19,881)
FICA	139,912	122,877	17,035
Claims/Deductibles	0	1,000	(1,000)
Professional Services - Legal	1,000	630	370
Consultant Fees	500	0	500
Training and Development	10,000	6,669	3,331
Travel and Meals	4,500	2,544	1,956
Computer Access	11,328	8,770	2,558
Office Machines Maintenance	13,615	7,478	6,137
Physicals	500	508	(8)
Pagers	0	47	(47)
Car Maintenance	25,500	14,086	11,414
Radio Repair	500	208	292
Body Cameras/Taser Bundle	0	6,842	(6,842)
Vehicle Fuel	34,135	24,559	9,576
Clothing	10,000	3,026	6,974

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	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Police Department/(Cont'd):			
Equipment - Safety	\$ 11,500	\$ 8,044	\$ 3,456
Ammunition	10,000	11,440	(1,440)
Footwear	3,150	1,446	1,704
Glasses	3,330	676	2,654
Dry Cleaning	3,500	2,736	764
PD Security Equipment	1,000	420	580
Office Supplies	4,500	4,186	314
Training Supplies	1,000	0	1,000
Juvenile Program	500	0	500
K-9 Program	3,700	1,390	2,310
Investigations Materials	6,000	6,052	(52)
Total Police Department	<u>2,148,600</u>	<u>1,922,938</u>	<u>225,662</u>
Dispatch Services:			
Regular Salaries	388,211	407,450	(19,239)
Overtime	101,347	76,098	25,249
Training Payroll	2,500	0	2,500
Part-Time Dispatchers	32,865	19,923	12,942
FICA	40,156	37,276	2,880
Training/Development	4,000	1,305	2,695
Travel/Meals	2,000	324	1,676
Computer Access	10,592	4,723	5,869
Office Machine Maintenance	1,000	2,164	(1,164)
Radio Maintenance	3,000	2,057	943
Tower Rental Fee	2,550	2,087	463
Clothing	3,671	0	3,671
Glasses	1,110	509	601
Office Supplies/Equipment	2,000	1,430	570
Dispatch Center Console Maintenance	25,000	25,000	0
Total Dispatch Services	<u>620,002</u>	<u>580,346</u>	<u>39,656</u>
Street Lighting:			
Electricity	155,286	163,476	(8,190)
Pedway/Keith Ave Lot Lighting	1,615	1,487	128
Total Street Lighting	<u>156,901</u>	<u>164,963</u>	<u>(8,062)</u>
Traffic Control:			
Traffic Light Electricity	8,000	6,521	1,479
Traffic Light Maintenance	24,500	19,765	4,735
Total Traffic Control	<u>32,500</u>	<u>26,286</u>	<u>6,214</u>

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	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Aldrich Library:	\$ 250,170	\$ 250,170	\$ 0
Facilities:			
Personnel Services	75,870	109,676	(33,806)
FICA	5,804	8,054	(2,250)
Travel & Meals	0	200	(200)
Electricity - 135N Main	1,000	789	211
Electricity - Pool	4,000	4,772	(772)
Water Bills	8,500	8,554	(54)
Car/Truck Maintenance	1,500	2,450	(950)
Field Maintenance	6,000	4,456	1,544
Pool and Building Maintenance	7,500	9,851	(2,351)
Fuel - 135N Main	5,395	0	5,395
Vehicle Fuel	6,170	3,967	2,203
Clothing	550	324	226
Footwear	200	150	50
Glasses	190	0	190
Office Supplies	0	265	(265)
Equipment Outlay	1,500	2,217	(717)
Total Facilities	<u>124,179</u>	<u>155,725</u>	<u>(31,546)</u>
Auditorium:			
Personnel Services	94,038	126,125	(32,087)
Overtime	500	2,586	(2,086)
FICA	7,232	9,630	(2,398)
Electricity	13,516	12,207	1,309
Solar Project	19,196	13,034	6,162
Rubbish Removal	6,000	8,564	(2,564)
Water Bills	3,440	4,387	(947)
IT	3,900	3,871	29
Building and Grounds Maintenance	17,000	13,920	3,080
Annex Maintenance	6,000	10,490	(4,490)
Fuel Oil	37,644	39,636	(1,992)
Bottled Gas	5,494	2,428	3,066
Clothing	2,643	2,497	146
Footwear	400	214	186
Glasses	400	0	400
Custodial Supplies	4,000	5,026	(1,026)
Machines/Equipment Outlay	2,000	1,124	876
Total Auditorium	<u>223,403</u>	<u>255,739</u>	<u>(32,336)</u>

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BOR:			
Personnel Services	\$ 104,114	\$ 120,855	\$ (16,741)
Overtime	2,000	1,496	504
FICA	8,118	9,607	(1,489)
Electricity	32,632	18,310	14,322
Solar Project	28,802	19,551	9,251
Water Bills	13,800	25,336	(11,536)
Building/Grounds Maintenance	22,000	33,584	(11,584)
Bottled Gas	16,826	10,954	5,872
Clothing	2,200	2,366	(166)
Footwear	400	574	(174)
Glasses	400	175	225
Custodial Supplies	2,000	2,162	(162)
Computer	4,500	4,065	435
Supplies/Equipment	8,500	6,587	1,913
Total BOR	246,292	255,622	(9,330)
Public Safety Building:			
Personnel Services	40,362	30,610	9,752
Overtime	0	111	(111)
FICA	3,088	2,204	884
Electricity	23,559	20,735	2,824
Solar Project	18,183	17,576	607
Rubbish Removal	3,500	4,427	(927)
Water Bills	5,048	5,824	(776)
Buildings and Grounds Maintenance	30,000	29,245	755
Fuel Oil	1,219	633	586
Bottled Gas	30,430	18,954	11,476
Clothing	552	1,578	(1,026)
Footwear	100	0	100
Glasses	95	0	95
Custodial Supplies	3,000	4,234	(1,234)
Total Public Safety Building	159,136	136,131	23,005

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Recreation:			
Personnel Services	\$ 76,928	\$ 111,436	\$ (34,508)
Skateguard Personnel	3,000	2,007	993
Pool Personnel	26,750	24,611	2,139
FICA	8,161	9,536	(1,375)
Training and Development	1,500	1,863	(363)
Travel and Meals	300	79	221
Dues, Memberships and Fees	400	280	120
Municipal Pool Supplies/Equipment	1,200	0	1,200
Playground Maintenance	0	14,428	(14,428)
Tennis Court Equipment	300	0	300
Glasses	190	329	(139)
Recreation Supplies	2,250	1,134	1,116
Recreation Programs	500	1,950	(1,450)
	<u>121,479</u>	<u>167,653</u>	<u>(46,174)</u>
Total Recreation			
Sanitary Landfill:			
CVSWD Assessment	8,784	8,491	293
	<u>8,784</u>	<u>8,491</u>	<u>293</u>
Total Sanitary Landfill			
Engineering:			
Personnel Services	317,613	257,068	60,545
Overtime	375	57	318
FICA	24,326	18,711	5,615
Training and Development	3,309	3,522	(213)
Travel and Meals	200	297	(97)
Office Machines Maintenance	500	0	500
Engineering Equipment	4,500	1,841	2,659
Vehicle Reimbursement	1,700	0	1,700
Radio Maintenance	250	694	(444)
Clothing	500	79	421
Footwear	645	448	197
Glasses	740	524	216
Office Supplies/Equipment	0	480	(480)
	<u>354,658</u>	<u>283,721</u>	<u>70,937</u>
Total Engineering			

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Permitting, Planning and Inspections:			
Personnel Services	\$ 193,727	\$ 139,474	\$ 54,253
Overtime	1,000	1,123	(123)
Contracted Services	14,061	0	14,061
FICA	14,360	10,168	4,192
Professional Services	2,500	0	2,500
Training and Development	500	20	480
Travel and Meals	150	0	150
Dues and Memberships	150	0	150
Glasses	380	0	380
Computer Equipment/Software	7,800	7,800	0
Total Permitting, Planning and Inspections	234,628	158,585	76,043
Community Development:			
Barre Partnership	70,000	70,000	0
Barre Area Development	60,853	60,853	0
Main Street Maintenance	1,200	2,059	(859)
Total Community Development	132,053	132,912	(859)
Public Parks and Trees - Maintenance:			
Electricity - Currier	900	736	164
Public Parks Tree Maintenance	12,500	11,242	1,258
Total Public Parks and Trees - Maintenance	13,400	11,978	1,422
Street Department - Public Works:			
Personnel Services	681,650	600,124	81,526
Overtime	59,062	25,640	33,422
FICA	56,664	45,518	11,146
Claims/Deductibles	2,000	0	2,000
Consultant Services	3,000	20,300	(17,300)
Storm Water Permit	8,347	5,572	2,775
Training/Development	4,500	1,467	3,033
Travel and Meals	250	310	(60)
Electricity	9,500	7,245	2,255
Rubbish Removal	4,000	4,827	(827)
Equipment Rental - Snow	5,000	0	5,000
Equipment Rental - Streets	2,500	614	1,886
Snow Damage - Vehicles	2,000	6,310	(4,310)
Snow Damage - Plows	2,500	88	2,412
Barricades - Lights	1,000	0	1,000
Culverts - Surface Sewer	3,862	6,074	(2,212)

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Street Department - Public Works/(Cont'd):			
Guardrails	\$ 6,000	\$ 9,810	\$ (3,810)
Tiles and Grates - Surface Sewer	10,000	0	10,000
Radio Maintenance	1,000	694	306
Building and Grounds Maintenance	7,500	6,302	1,198
Equipment Maintenance - Streets	30,000	50,089	(20,089)
Snow Equipment Maintenance	15,000	10,495	4,505
Truck Maintenance - Streets	73,500	60,407	13,093
Bridge Maintenance	3,000	0	3,000
Street Painting	9,000	3,863	5,137
Yard Waste	2,200	2,829	(629)
Roadside Mowing	6,000	5,000	1,000
Tire Disposal Event	5,000	4,894	106
Bulk Waste Removal Fees	10,000	4,332	5,668
Fuel Oil - Garage	28,534	23,176	5,358
Vehicle Fuel	75,164	52,329	22,835
Bottled Gas	250	631	(381)
Vehicle Grease/Oil	4,000	1,029	2,971
Clothing	12,000	9,367	2,633
Equipment - Safety	2,000	14,617	(12,617)
Physical Exams	540	138	402
Footwear	2,720	1,701	1,019
Glasses	2,700	824	1,876
Office Expense	0	265	(265)
Small Tools	2,500	3,824	(1,324)
Supplies - Garage	15,000	30,843	(15,843)
Supplies - Sidewalks	13,500	(1,274)	14,774
Supplies - NSC	3,000	0	3,000
Supplies - Surface Sewer	12,000	37,448	(25,448)
Supplies - Streets	7,500	3,143	4,357
Supplies - Snow Removal	5,000	0	5,000
Asphalt - Sidewalks	2,000	1,210	790
Bituminous Hot Mix - Streets	12,500	18,613	(6,113)
Bituminous Hot Mix - Surface Sewer	1,500	831	669
Chloride - Snow	250	165	85
Concrete - SW	3,500	501	2,999
Gravel - Streets	500	0	500
Kold Patch - Streets	5,000	5,687	(687)
Salt - Snow	170,000	130,736	39,264
Sand - Snow	3,000	2,000	1,000
Sand - SS	1,000	0	1,000
Street Signs	5,000	303	4,697
Street Light Maintenance	250	1,840	(1,590)
Computer Equipment/Software	4,500	2,025	2,475
Total Street Department - Public Works	1,419,443	1,224,776	194,667

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Cemetery:			
Personnel Services	\$ 125,723	\$ 148,553	\$ (22,830)
Overtime	1,000	60	940
FICA	9,694	11,389	(1,695)
Travel/Meals	100	0	100
Electricity - Office	600	630	(30)
Veterans Flags	2,434	2,464	(30)
Car/Truck Maintenance	1,200	1,201	(1)
Building Maintenance - Hope	1,500	2,394	(894)
Mausoleum Maintenance	1,500	1,500	0
Building/Ground Maintenance - Elmwood	2,500	1,411	1,089
Contracted Services	0	300	(300)
Hope Maintenance	5,000	16,278	(11,278)
St Monica Maintenance	1,500	577	923
Grounds & Buildings	1,750	1,225	525
Equipment Maintenance	4,000	1,380	2,620
Fuel Oil - Office	1,147	695	452
Vehicle Fuel	7,762	6,304	1,458
Clothing	1,000	628	372
Equipment - Safety	200	62	138
Footwear	200	460	(260)
Glasses	190	0	190
Small Tools	500	113	387
Cemetery Trust	5,500	3,700	1,800
Foundations	3,000	3,445	(445)
Machine/Equipment	0	3,327	(3,327)
Total Cemetery	<u>178,000</u>	<u>208,096</u>	<u>(30,096)</u>
Transfer to Capital Improvement Fund:	<u>0</u>	<u>125,000</u>	<u>(125,000)</u>
Insurance:			
Health Insurance	1,271,003	1,137,049	133,954
Life Insurance	50,270	43,277	6,993
Dental Insurance	37,203	30,075	7,128
Total Insurance	<u>1,358,476</u>	<u>1,210,401</u>	<u>148,075</u>
City Pension Plan:			
City Pension Plan	511,207	551,837	(40,630)
Consultant Services	6,500	0	6,500
Total City Pension Plan	<u>517,707</u>	<u>551,837</u>	<u>(34,130)</u>
Debt Service:			
Principal Payments	585,864	585,861	3
Interest Expense	140,547	140,708	(161)
Total Debt Service	<u>726,411</u>	<u>726,569</u>	<u>(158)</u>

See Disclaimer in Accompanying Independent Auditor's Report.

CITY OF BARRE, VERMONT
REQUIRED SUPPLEMENTARY INFORMATION
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
General Insurance:			
Worker's Compensation	\$ 510,620	\$ 487,067	\$ 23,553
Unemployment Insurance	24,600	18,552	6,048
Property and Casualty	262,240	297,045	(34,805)
Total General Insurance	797,460	802,664	(5,204)
Washington County Tax:	43,569	41,546	2,023
Voter Approved Assistance:	149,601	149,601	0
Special Projects:			
Special Projects - FICA	2,322	2,187	135
Special Projects - Custodial	8,360	7,114	1,246
Special Projects - Fire	7,000	5,007	1,993
Special Projects - Police	15,000	17,510	(2,510)
Total Special Projects	32,682	31,818	864
Miscellaneous Expenses:			
Granite Museum Parking Lot	17,500	17,670	(170)
Barre Energy Committee	500	0	500
Barre Area Development, Inc.	20,482	20,482	0
City Committee Funding	1,000	93	907
Front Porch Forum Support	250	250	0
Homelessness Support	6,000	0	6,000
Bank Fees/Miscellaneous Expenses	5,000	3,059	1,941
BCJC Stipend	7,355	7,355	0
Semprebun VCF Trust Projects	50,000	61,904	(11,904)
Wellness Initiatives	0	340	(340)
Non-Billable Special Projects - Personnel	0	10,366	(10,366)
Total Miscellaneous Expenses	108,087	121,519	(13,432)
Total Expenditures	13,761,826	13,361,504	400,322
Excess/(Deficiency) of Revenues Over Expenditures	\$ (6,876)	431,841	\$ 438,717
Adjustments to Reconcile from the Budgetary Basis of Accounting to the Modified Accrual Basis of Accounting:			
Unbudgeted State/Federal Flood Damage Assistance		2,232,664	
Unbudgeted Insurance Proceeds - Flood Damage		486,911	
Unbudgeted Flood Damage Expenses		(2,096,535)	
Net Change in Fund Balance		1,054,881	
Fund Balance - July 1, 2023		1,108,930	
Fund Balance - June 30, 2024		\$ 2,163,811	

The reconciling items are due to unbudgeted flood damage expenses and related funding.

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CITY OF BARRE, VERMONT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
VMERS DEFINED BENEFIT PLAN
JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Plan Net Pension Liability	\$ 320,293,753	\$ 303,371,956	\$ 147,184,198	\$ 252,974,064	\$ 173,491,807	\$ 140,675,892	\$ 121,155,552	\$ 128,696,167	\$ 77,095,810	\$ 9,126,613
City's Proportion of the Net Pension Liability	1.7968%	1.9151%	2.0050%	1.9317%	2.0460%	2.0260%	2.1746%	2.1660%	2.0470%	2.1321%
City's Proportionate Share of the Net Pension Liability	\$ 5,754,924	\$ 5,809,772	\$ 2,951,037	\$ 4,886,581	\$ 3,549,718	\$ 2,850,045	\$ 2,634,616	\$ 2,787,514	\$ 1,578,171	\$ 194,585
City's Covered Employee Payroll	\$ 6,803,835	\$ 6,604,554	\$ 6,364,720	\$ 5,886,247	\$ 5,895,306	\$ 5,427,897	\$ 5,407,251	\$ 5,023,450	\$ 4,477,325	\$ 4,485,606
City's Proportionate Share of the Net Pension Liability as a Percentage of City's Covered Employee Payroll	84.5835%	87.9662%	46.3655%	83.0169%	60.2126%	52.5074%	48.7238%	55.4900%	35.2481%	4.3380%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.01%	73.60%	86.29%	74.52%	80.35%	82.60%	83.64%	80.95%	87.42%	98.32%

Notes to Schedule

Benefit Changes: None.

Changes in Assumptions and Methods: Effective for the June 30, 2023 actuarial valuation, the following assumptions were updated:

- Assumed rates of salary increase were adjusted, generally increased, based on plan experience.
- Mortality assumptions changed as follows:

Pre-Retirement:

- Groups A/B - Changed from 40% of PubG-2010 General Employee Amount-Weighted Below Median (sex-specific) tables and 60% of PubG-2010 General Employee Amount-Weighted (sex-specific) tables to 60% of PubG-2010 General Employee Amount-Weighted Below Median (sex-specific) tables and 40% of PubG-2010 General Employee Amount-Weighted (sex-specific) tables.
- Group C - Changed from 40% of PubG-2010 General Employee Amount-Weighted Below Median (sex-specific) tables and 60% of PubG-2010 General Employee Amount-Weighted (sex-specific) tables to PubG-2010 General Employee Amount-Weighted Below Median (sex-specific) tables.
- Group D - Changed from PubG-2010 General Employee Amount-Weighted Above Median (sex-specific) tables to PubS-2010 Public Safety Employee Amount-Weighted Below Median (sex-specific) tables.

Healthy Post-Retirement - Retirees:

- Groups A/B - Changed from 104% of 40% PubG-2010 General Healthy Retiree Amount-Weighted Below Median (sex-specific) tables and 60% of PubG-2010 General Healthy Retiree Amount-Weighted (sex-specific) tables to PubG-2010 General Healthy Retiree Amount-Weighted Below Median (sex-specific) tables with 90% and 87% adjustments for males and females, respectively.
- Group C - Changed from 104% of 40% PubG-2010 General Healthy Retiree Amount-Weighted Below Median (sex-specific) tables and 60% of PubG-2010 General Healthy Retiree Amount-Weighted (sex-specific) tables to PubG-2010 General Healthy Retiree Amount-Weighted (sex-specific) tables.
- Group D - Changed from PubG-2010 General Healthy Retiree Amount-Weighted (sex-specific) tables to PubS-2010 Public Safety Retiree Amount-Weighted Below Median (sex-specific) tables.

Healthy Post-Retirement - Beneficiaries:

- Groups A/B/C - Changed from 70% of the Pub-2010 Contingent Survivor Amount-Weighted Below Median (sex-specific) tables and 30% of the Pub-2010 Contingent Survivor Amount-Weighted (sex-specific) tables to Pub-2010 Contingent Survivor Amount-Weighted Below-Median (sex-specific) tables.
- Group D - Changed from Pub-2010 Contingent Survivor Amount-Weighted (sex-specific) tables to Pub-2010 Contingent Survivor Amount-Weighted Below-Median (sex-specific) tables.

Disabled Retirees:

- Group D - Changed from PubNS-2010 Non-Safety Disabled Retiree Amount-Weighted (sex-specific) tables to PubS-2010 Safety Disabled Retiree Amount-Weighted (sex-specific) tables.

Mortality improvement scale was changed from generational projection using scale MP-2019 to generational projection using scale MP-2021 for all assumptions.

- Assumed active retirement rates for all groups were adjusted based on plan experience.

- Assumed termination rates were adjusted based on plan experience. Rates are now split between Groups A and B, and C and D.

- Assumed disability rates were adjusted based on plan experience. Rates are now split between Groups A and B, and C and D.

CITY OF BARRE, VERMONT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CONTRIBUTIONS
 VMERS DEFINED BENEFIT PLAN
 FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution (Actuarially Determined)	\$ 570,894	\$ 512,088	\$ 479,149	\$ 445,778	\$ 400,343	\$ 442,236	\$ 406,810	\$ 355,127	\$ 329,193	\$ 286,143
Contributions in Relation to the Actuarially Determined Contributions	<u>570,894</u>	<u>512,088</u>	<u>479,149</u>	<u>445,778</u>	<u>400,343</u>	<u>442,236</u>	<u>406,810</u>	<u>355,127</u>	<u>329,193</u>	<u>286,143</u>
Contribution Excess/(Deficiency)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
City's Covered Employee Payroll	\$ 7,344,439	\$ 6,803,835	\$ 6,604,554	\$ 6,364,720	\$ 5,886,247	\$ 5,895,306	\$ 5,427,897	\$ 5,407,251	\$ 5,023,450	\$ 4,477,325
Contributions as a Percentage of City's Covered Employee Payroll	7.775%	7.526%	7.255%	7.004%	6.801%	7.501%	7.495%	6.568%	6.553%	6.391%

Notes to Schedule

June 30, 2023

Valuation Date:

CITY OF BARRE, VERMONT
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2024

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Permanent Fund Cemetery Trust Fund</u>	<u>Total</u>
<u>ASSETS</u>				
Cash	\$ 421,420	\$ 485,088	\$ 4,968	\$ 911,476
Investments	453,000	0	1,140,482	1,593,482
Due from Other Funds	<u>2,411</u>	<u>36,628</u>	<u>0</u>	<u>39,039</u>
Total Assets	<u>\$ 876,831</u>	<u>\$ 521,716</u>	<u>\$ 1,145,450</u>	<u>\$ 2,543,997</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts Payable	\$ 0	\$ 2,941	\$ 0	\$ 2,941
Due to Other Funds	<u>149,511</u>	<u>17,670</u>	<u>18,574</u>	<u>185,755</u>
Total Liabilities	<u>149,511</u>	<u>20,611</u>	<u>18,574</u>	<u>188,696</u>
Fund Balances:				
Nonspendable	0	0	834,306	834,306
Restricted	727,320	472,683	292,570	1,492,573
Assigned	<u>0</u>	<u>28,422</u>	<u>0</u>	<u>28,422</u>
Total Fund Balances	<u>727,320</u>	<u>501,105</u>	<u>1,126,876</u>	<u>2,355,301</u>
Total Liabilities and Fund Balances	<u>\$ 876,831</u>	<u>\$ 521,716</u>	<u>\$ 1,145,450</u>	<u>\$ 2,543,997</u>

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CITY OF BARRE, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

	Special Revenue Funds	Capital Projects Funds	Permanent Fund Cemetery Trust Fund	Total
Revenues:				
Property Taxes	\$ 0	\$ 373,650	\$ 0	\$ 373,650
Charges for Services	0	3,494	6,895	10,389
Investment Income	28,785	2,321	91,898	123,004
Donations	<u>0</u>	<u>107,678</u>	<u>0</u>	<u>107,678</u>
Total Revenues	<u>28,785</u>	<u>487,143</u>	<u>98,793</u>	<u>614,721</u>
Expenditures:				
General Government	0	7,987	0	7,987
Public Safety	56	0	0	56
Culture and Recreation	969	2,941	0	3,910
Capital Outlay:				
Culture and Recreation	18,680	107,678	0	126,358
Debt Service:				
Principal	0	88,000	0	88,000
Interest	<u>0</u>	<u>57,935</u>	<u>0</u>	<u>57,935</u>
Total Expenditures	<u>19,705</u>	<u>264,541</u>	<u>0</u>	<u>284,246</u>
Excess of Revenues Over Expenditures	<u>9,080</u>	<u>222,602</u>	<u>98,793</u>	<u>330,475</u>
Other Financing Sources/(Uses):				
Transfers In	61,904	5,000	0	66,904
Transfers Out	<u>(15,000)</u>	<u>0</u>	<u>(27,000)</u>	<u>(42,000)</u>
Total Other Financing Sources/(Uses)	<u>46,904</u>	<u>5,000</u>	<u>(27,000)</u>	<u>24,904</u>
Net Change in Fund Balances	55,984	227,602	71,793	355,379
Fund Balances - July 1, 2023	<u>671,336</u>	<u>273,503</u>	<u>1,055,083</u>	<u>1,999,922</u>
Fund Balances - June 30, 2024	<u>\$ 727,320</u>	<u>\$ 501,105</u>	<u>\$ 1,126,876</u>	<u>\$ 2,355,301</u>

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CITY OF BARRE, VERMONT
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2024

	Community Development Fund	Drug Forfeiture Fund	Special Recreation Programs Fund	Semprebond Fund	Total
<u>ASSETS</u>					
Cash	\$ 2,839	\$ 47,281	\$ 0	\$ 371,300	\$ 421,420
Investments	0	0	0	453,000	453,000
Due from Other Funds	<u>0</u>	<u>2,411</u>	<u>0</u>	<u>0</u>	<u>2,411</u>
Total Assets	<u>\$ 2,839</u>	<u>\$ 49,692</u>	<u>\$ 0</u>	<u>\$ 824,300</u>	<u>\$ 876,831</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Due to Other Funds	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ 149,511	\$ 149,511
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>149,511</u>	<u>149,511</u>
Fund Balances:					
Restricted	<u>2,839</u>	<u>49,692</u>	<u>0</u>	<u>674,789</u>	<u>727,320</u>
Total Fund Balances	<u>2,839</u>	<u>49,692</u>	<u>0</u>	<u>674,789</u>	<u>727,320</u>
Total Liabilities and Fund Balances	<u>\$ 2,839</u>	<u>\$ 49,692</u>	<u>\$ 0</u>	<u>\$ 824,300</u>	<u>\$ 876,831</u>

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CITY OF BARRE, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

	Community Development Fund	Drug Forfeiture Fund	Special Recreation Programs Fund	Semprebon Fund	Total
Revenues:					
Investment Income	\$ 0	\$ 114	\$ 0	\$ 28,671	\$ 28,785
Total Revenues	<u>0</u>	<u>114</u>	<u>0</u>	<u>28,671</u>	<u>28,785</u>
Expenditures:					
Public Safety	0	56	0	0	56
Culture and Recreation	0	0	0	969	969
Capital Outlay:					
Culture and Recreation	<u>0</u>	<u>0</u>	<u>18,680</u>	<u>0</u>	<u>18,680</u>
Total Expenditures	<u>0</u>	<u>56</u>	<u>18,680</u>	<u>969</u>	<u>19,705</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>58</u>	<u>(18,680)</u>	<u>27,702</u>	<u>9,080</u>
Other Financing Sources/(Uses):					
Transfers In	0	0	0	61,904	61,904
Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>(15,000)</u>	<u>(15,000)</u>
Total Other Financing Sources/(Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>46,904</u>	<u>46,904</u>
Net Change in Fund Balances	0	58	(18,680)	74,606	55,984
Fund Balances - July 1, 2023	<u>2,839</u>	<u>49,634</u>	<u>18,680</u>	<u>600,183</u>	<u>671,336</u>
Fund Balances - June 30, 2024	<u>\$ 2,839</u>	<u>\$ 49,692</u>	<u>\$ 0</u>	<u>\$ 674,789</u>	<u>\$ 727,320</u>

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CITY OF BARRE, VERMONT
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2024

	Shade Tree Improvement Fund	TIF Fund	BOR Turf Fund	Total
<u>ASSETS</u>				
Cash	\$ 0	\$ 485,088	\$ 0	\$ 485,088
Due from Other Funds	33,134	0	3,494	36,628
Total Assets	\$ 33,134	\$ 485,088	\$ 3,494	\$ 521,716
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts Payable	\$ 2,941	\$ 0	\$ 0	\$ 2,941
Due to Other Funds	0	17,670	0	17,670
Total Liabilities	2,941	17,670	0	20,611
Fund Balances:				
Restricted	5,265	467,418	0	472,683
Assigned	24,928	0	3,494	28,422
Total Fund Balances	30,193	467,418	3,494	501,105
Total Liabilities and Fund Balances	\$ 33,134	\$ 485,088	\$ 3,494	\$ 521,716

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CITY OF BARRE, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

	Shade Tree Improvement Fund	TIF Fund	BOR Turf Fund	Total
Revenues:				
Property Taxes	\$ 0	\$ 373,650	\$ 0	\$ 373,650
Charges for Services	0	0	3,494	3,494
Investment Income	0	2,321	0	2,321
Donations	0	0	107,678	107,678
Total Revenues	<u>0</u>	<u>375,971</u>	<u>111,172</u>	<u>487,143</u>
Expenditures:				
General Government	0	7,987	0	7,987
Culture and Recreation	2,941	0	0	2,941
Capital Outlay:				
Culture and Recreation	0	0	107,678	107,678
Debt Service:				
Principal	0	88,000	0	88,000
Interest	0	57,935	0	57,935
Total Expenditures	<u>2,941</u>	<u>153,922</u>	<u>107,678</u>	<u>264,541</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>(2,941)</u>	<u>222,049</u>	<u>3,494</u>	<u>222,602</u>
Other Financing Sources:				
Transfers In	<u>5,000</u>	<u>0</u>	<u>0</u>	<u>5,000</u>
Total Other Financing Sources	<u>5,000</u>	<u>0</u>	<u>0</u>	<u>5,000</u>
Net Change in Fund Balances	2,059	222,049	3,494	227,602
Fund Balances - July 1, 2023	<u>28,134</u>	<u>245,369</u>	<u>0</u>	<u>273,503</u>
Fund Balances - June 30, 2024	<u>\$ 30,193</u>	<u>\$ 467,418</u>	<u>\$ 3,494</u>	<u>\$ 501,105</u>

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CITY OF BARRE, VERMONT
 COMBINING SCHEDULE OF FIDUCIARY NET POSITION
 PRIVATE-PURPOSE TRUST FUNDS
 JUNE 30, 2024

	Keith Fund	Brusa Fund	Total
<u>ASSETS</u>			
Investments	\$ <u>0</u>	\$ <u>88,998</u>	\$ <u>88,998</u>
Total Assets	\$ <u><u>0</u></u>	\$ <u><u>88,998</u></u>	\$ <u><u>88,998</u></u>
<u>LIABILITIES AND NET POSITION</u>			
Liabilities:	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Net Position:			
Restricted:			
Held in Trust for Other Purposes	<u>0</u>	<u>88,998</u>	<u>88,998</u>
Total Net Position	<u>0</u>	<u>88,998</u>	<u>88,998</u>
Total Liabilities and Net Position	\$ <u><u>0</u></u>	\$ <u><u>88,998</u></u>	\$ <u><u>88,998</u></u>

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CITY OF BARRE, VERMONT
 COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
 PRIVATE-PURPOSE TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

	Keith Fund	Brusa Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Additions:			
Investment Income	\$ <u>242</u>	\$ <u>3,066</u>	\$ <u>3,308</u>
Total Additions	<u>242</u>	<u>3,066</u>	<u>3,308</u>
Deductions:			
Culture and Recreation	<u>17,685</u>	<u>0</u>	<u>17,685</u>
Total Deductions	<u>17,685</u>	<u>0</u>	<u>17,685</u>
Change in Net Position	(17,443)	3,066	(14,377)
Net Position - July 1, 2023	<u>17,443</u>	<u>85,932</u>	<u>103,375</u>
Net Position - June 30, 2024	<u><u>\$ 0</u></u>	<u><u>\$ 88,998</u></u>	<u><u>\$ 88,998</u></u>

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CITY OF BARRE, VERMONT
 COMBINING BALANCE SHEET
 SPECIAL FUND
 JUNE 30, 2024

	Reappraisal Fund	Donation Fund	ARPA Fund	Opioid Settlement Fund	Richard Russell Fund	Special Fund	Total
<u>ASSETS</u>							
Cash	\$ 0	\$ 0	\$ 2,559,584	\$ 0	\$ 5,567	\$ 0	\$ 2,565,151
Investments	0	0	0	0	54,649	0	54,649
Receivables	0	0	0	0	0	171,221	171,221
Due from/(to) Other Funds	<u>441,698</u>	<u>23,660</u>	<u>(29,819)</u>	<u>80,667</u>	<u>0</u>	<u>315,521</u>	<u>831,727</u>
Total Assets	\$ <u>441,698</u>	\$ <u>23,660</u>	\$ <u>2,529,765</u>	\$ <u>80,667</u>	\$ <u>60,216</u>	\$ <u>486,742</u>	\$ <u>3,622,748</u>
<u>LIABILITIES</u>							
Accounts Payable	\$ 20,150	\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,203	\$ 65,353
Accrued Payroll and Benefits Payable	0	0	0	0	0	1,292	1,292
Unearned Revenue	<u>0</u>	<u>0</u>	<u>2,470,076</u>	<u>0</u>	<u>0</u>	<u>2,500</u>	<u>2,472,576</u>
Total Liabilities	<u>20,150</u>	<u>0</u>	<u>2,470,076</u>	<u>0</u>	<u>0</u>	<u>48,995</u>	<u>2,539,221</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Unavailable Grants	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>86,722</u>	<u>86,722</u>
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>86,722</u>	<u>86,722</u>
<u>FUND BALANCES</u>							
Restricted	0	19,834	0	80,667	0	332,971	433,472
Assigned	<u>421,548</u>	<u>3,826</u>	<u>59,689</u>	<u>0</u>	<u>60,216</u>	<u>18,054</u>	<u>563,333</u>
Total Fund Balances	<u>421,548</u>	<u>23,660</u>	<u>59,689</u>	<u>80,667</u>	<u>60,216</u>	<u>351,025</u>	<u>996,805</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u>441,698</u>	\$ <u>23,660</u>	\$ <u>2,529,765</u>	\$ <u>80,667</u>	\$ <u>60,216</u>	\$ <u>486,742</u>	\$ <u>3,622,748</u>

CITY OF BARRE, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 SPECIAL FUND
 FOR THE YEAR ENDED JUNE 30, 2024

	Reappraisal Fund	Donation Fund	ARPA Fund	Opioid Settlement Fund	Richard Russell Fund	Special Fund	Total
Revenues:							
Intergovernmental	\$ 28,500	\$ 0	\$ 29,819	\$ 0	\$ 0	\$ 432,334	\$ 490,653
Permits, Licenses and Fees	0	0	0	0	0	21,216	21,216
Investment Income	0	0	37,761	0	4,293	0	42,054
Donations	0	2,929	0	0	0	41,626	44,555
Opioids Settlement	0	0	0	38,459	0	0	38,459
Total Revenues	28,500	2,929	67,580	38,459	4,293	495,176	636,937
Expenditures:							
General Government	48,746	0	0	0	0	0	48,746
Public Safety	0	0	0	0	0	97,689	97,689
Public Works	0	870	0	0	0	76,142	77,012
Culture and Recreation	0	130	0	0	0	31,784	31,914
Community Development	0	0	29,819	1,632	0	70,686	102,137
Capital Outlay:							
Culture and Recreation	0	0	0	0	0	48,019	48,019
Total Expenditures	48,746	1,000	29,819	1,632	0	324,320	405,517
Excess/(Deficiency) of Revenues Over Expenditures	(20,246)	1,929	37,761	36,827	4,293	170,856	231,420
Other Financing Sources:							
Transfers In	0	0	0	0	0	16,074	16,074
Total Other Financing Sources	0	0	0	0	0	16,074	16,074
Net Change in Fund Balances	(20,246)	1,929	37,761	36,827	4,293	186,930	247,494
Fund Balances - July 1, 2023	441,794	21,731	21,928	43,840	55,923	164,095	749,311
Fund Balances - June 30, 2024	<u>\$ 421,548</u>	<u>\$ 23,660</u>	<u>\$ 59,689</u>	<u>\$ 80,667</u>	<u>\$ 60,216</u>	<u>\$ 351,025</u>	<u>\$ 996,805</u>

See Disclaimer in Accompanying Independent Auditor's Report.

CITY OF BARRE, VERMONT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor/ Pass-Through Grantor Program or Cluster Title	Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<u>U.S. Department of Justice</u>				
Passed through State of Vermont Center for Crime Victim Services				
Violence Against Women Formula Grants	16.588	02160-STOP23-4053005-2024	\$ 0	\$ 31,570
Direct Programs				
Body Worn Camera Policy and Implementation	16.835	N/A	0	20,817
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	0	17,750
Bulletproof Vest Partnership Program	16.607	N/A	0	1,941
Public Safety Partnership and Community Policing Grant	16.710	N/A	0	15,245
Total U.S. Department of Justice			0	87,323
<u>U.S. Environmental Protection Agency</u>				
Passed through State of Vermont Department of Environmental Conservation				
Clean Water State Revolving Fund	66.458	06140-RF1-356	0	24,417
Clean Water State Revolving Fund	66.458	06140-RF1-357	0	139,900
Total Clean Water State Revolving Fund			0	164,317
Drinking Water State Revolving Fund	66.468	06140-RF3-514	0	123,312
Total U.S. Environmental Protection Agency			0	287,629
<u>U.S. Department of Homeland Security</u>				
Passed through State of Vermont Department of Public Safety				
BRIC: Building Resilient Infrastructure and Communities	97.047	02140-31236-002D	0	2,113
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	02140-84720-006	0	287,461
Total U.S. Department of Homeland Security			0	289,574
<u>U.S. Northern Border Regional Commission</u>				
Direct Program				
Northern Border Regional Development	90.601	N/A	0	116,667
Total U.S. Northern Border Regional Commission			0	116,667
<u>U.S. Department of the Treasury</u>				
Direct Program				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	0	29,819
Total U.S. Department of the Treasury			0	29,819

See Accompanying Independent Auditor's Report.

CITY OF BARRE, VERMONT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor/ Pass-Through Grantor Program or Cluster Title	Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<u>U.S. Department of Transportation</u>				
Passed through State of Vermont Agency of Transportation				
Highway Safety Cluster				
State and Community Highway Safety	20.600	GR1699	\$ 0	\$ 2,504
State and Community Highway Safety	20.600	GR1796	<u>0</u>	<u>6,187</u>
Total State and Community Highway Safety			<u>0</u>	<u>8,691</u>
National Priority Safety Programs	20.616	GR1699	0	10,000
National Priority Safety Programs	20.616	GR1795	<u>0</u>	<u>4,733</u>
Total National Priority Safety Programs			<u>0</u>	<u>14,733</u>
Total Highway Safety Cluster			<u>0</u>	<u>23,424</u>
Highway Planning and Construction	20.205	ER0158	0	7,591
Highway Planning and Construction	20.205	ER0166	0	466,451
Highway Planning and Construction	20.205	ER0167	<u>0</u>	<u>137,813</u>
Total Highway Planning and Construction			<u>0</u>	<u>611,855</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	GR1796	<u>0</u>	<u>4,677</u>
Total U.S. Department of Transportation			<u>0</u>	<u>639,956</u>
Total Federal Expenditures			<u>\$ 0</u>	<u>\$ 1,450,968</u>

Note A - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Barre, Vermont under programs of the federal government for year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Barre, Vermont, it is not intended to and does not present the financial position, changes in net position or cash flows.

Note B - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City of Barre, Vermont has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Sullivan, Powers & Co., P.C.

Certified Public Accountants

77 Barre Street
P.O. Box 947
Montpelier, VT 05601
802/223-2352
www.sullivanpowers.com

Richard J. Brigham, CPA
Chad A. Hewitt, CPA
Jordan M. Plummer, CPA
VT Lic. #92-000180

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"

City Council
City of Barre, Vermont
City Hall, 6 North Main Street, Suite 2
Barre, Vermont 05641

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 City of Barre, Vermont, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Barre, Vermont's basic financial statements, and have issued our report thereon dated March 20, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Barre, 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 City of Barre, Vermont's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Barre, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Barre, 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".

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with "Government Auditing Standards" in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sullivan, Powers & Co.

March 20, 2025
Montpelier, Vermont
VT Lic. #92-000180

Sullivan, Powers & Co., P.C.

Certified Public Accountants

77 Barre Street
P.O. Box 947
Montpelier, VT 05601
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www.sullivanpowers.com

Richard J. Brigham, CPA
Chad A. Hewitt, CPA
Jordon M. Plummer, CPA
VT Lic. #92-000180

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

City Council
City of Barre, Vermont
City Hall, 6 North Main Street, Suite 2
Barre, Vermont 05641

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Barre, Vermont's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) "Compliance Supplement" that could have a direct and material effect on each of the City of Barre, Vermont's major federal programs for the year ended June 30, 2024. The City of Barre, Vermont's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City of Barre, Vermont complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. "Code of Federal Regulations" Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Barre, Vermont and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Barre, Vermont's compliance with the compliance requirements referred to previously.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to previously and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Barre, Vermont's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to previously occurred, whether due to fraud or error, and express an opinion on the City of Barre, Vermont's compliance based on our audit. 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, "Government Auditing Standards", and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to previously is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the City of Barre, Vermont's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City of Barre, Vermont's compliance with the compliance requirements referred to previously and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Barre, Vermont's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Barre, Vermont's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined previously. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Sullivan, Powers & Co.

March 20, 2025
Montpelier, Vermont
VT Lic. #92-000180

CITY OF BARRE, VERMONT
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

There were no prior year audit findings noted.

CITY OF BARRE, VERMONT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

Summary of Auditor's Results

Financial Statements

Type of Auditor's Report Issued:
Unmodified.

Internal Control over Financial Reporting:
Material weaknesses identified:
None noted.
Significant deficiencies identified not considered to be material weaknesses:
None noted.

Noncompliance Material to Financial Statements:
None noted.

Federal Awards

Internal Control over Major Programs:
Material weaknesses identified:
None noted.
Significant deficiencies identified not considered to be material weaknesses:
None noted.

Type of auditor's report issued on compliance for major programs:
Unmodified.

There are no audit findings that are required to be reported in accordance with 2 CFR 200.516(a).

Major Programs:

<u>CFDA #</u>	<u>Program</u>	<u>Federal Agency</u>
20.205	Highway Planning and Construction	U.S. Department of Transportation

The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.

The auditee did not qualify as a low risk auditee.