

TOWN OF MORETOWN, VERMONT

AUDIT REPORT

DECEMBER 31, 2024

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AUDIT REPORT
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Independent Auditor's Report

Selectboard
Town of Moretown, Vermont
79 School Street
Moretown, VT 05660

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Moretown, Vermont, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Town of Moretown, Vermont's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Moretown, Vermont, as of December 31, 2024, and the respective changes in modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting, as described in Note I.D.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Moretown, 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 Principles

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

Correction of Error

As described in Note II.D. of the financial statements, a certain error was corrected by management during the current year. Our opinion is not modified with respect to this matter.

Emphasis of Matter – Basis of Accounting

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note I, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Moretown, Vermont's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Moretown, Vermont's ability to continue as a going concern for a reasonable period of time.

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

Other Information

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

Other Reporting Required by "Government Auditing Standards"

In accordance with "Government Auditing Standards", we have also issued our report dated June 9, 2025, on our consideration of the Town of Moretown, 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 Town of Moretown, Vermont's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" in considering the Town of Moretown, Vermont's internal control over financial reporting and compliance.

Sullivan, Powers & Co.

June 9, 2025
Montpelier, Vermont
VT Lic. #92-000180

TOWN OF MORETOWN, VERMONT
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2024

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash	\$ 1,842,925
Investments	48,404
Due from Fiduciary Funds	<u>34,661</u>
Total Assets	<u>1,925,990</u>
<u>LIABILITIES</u>	
Due to State of Vermont	550
Payroll Withholdings Payable	5,877
Due to Delinquent Tax Collector	6,307
Short-term Debt Payable	<u>3,000,000</u>
Total Liabilities	<u>3,012,734</u>
<u>NET POSITION/(DEFICIT)</u>	
Restricted:	
Non-Expendable:	
Perpetual Care	42,016
Expendable:	
Cemetery	32,122
Other	20,447
Unrestricted/(Deficit)	<u>(1,181,329)</u>
Total Net Position/(Deficit)	<u>\$ (1,086,744)</u>

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

TOWN OF MORETOWN, VERMONT
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Cash Receipts				Net (Disbursements)/ Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants/Loans and Contributions	Governmental Activities
Functions/Programs:					
Governmental Activities:					
General Government	\$ 1,174,976	\$ 43,611	\$ 14,262	\$ 391,682	\$ (725,421)
Public Safety	544,432	7,000	0	245,238	(292,194)
Highways and Streets	3,967,927	1,660	903,991	338,157	(2,724,119)
Culture and Recreation	50,372	0	718	0	(49,654)
Cemetery	16,929	2,400	0	0	(14,529)
Debt Service	218,429	0	0	0	(218,429)
Total Governmental Activities	\$ <u>5,973,065</u>	\$ <u>54,671</u>	\$ <u>918,971</u>	\$ <u>975,077</u>	<u>(4,024,346)</u>
General Receipts:					
Property Taxes					1,345,831
Penalties and Interest on Delinquent Taxes					13,349
General State Grants					85,211
Unrestricted Investment Earnings					40,041
Other					<u>3,360</u>
Total General Receipts					<u>1,487,792</u>
Change in Net Position					<u>(2,536,554)</u>
Net Position - January 1, 2024, As Previously Presented					1,538,768
Error Correction					<u>(88,958)</u>
Net Position - January 1, 2024, As Restated					<u>1,449,810</u>
Net Position/(Deficit) - December 31, 2024					\$ <u><u>(1,086,744)</u></u>

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

TOWN OF MORETOWN, VERMONT
STATEMENT OF MODIFIED CASH BASIS ASSETS, LIABILITIES AND FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General Fund	Savings Reserve Fund	Capital Reserve Fund	FEMA Fund	Non-Major Governmental Funds	Total Governmental Funds
<u>ASSETS</u>						
Cash	\$ 1,511,153	\$ 133	\$ 303,775	\$ 0	\$ 27,864	\$ 1,842,925
Investments	0	0	0	0	48,404	48,404
Advances to Other Funds	0	995,664	0	0	0	995,664
Due from Other Funds	0	0	0	648,427	90,709	739,136
Total Assets	<u>\$ 1,511,153</u>	<u>\$ 995,797</u>	<u>\$ 303,775</u>	<u>\$ 648,427</u>	<u>\$ 166,977</u>	<u>\$ 3,626,129</u>
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Due to State of Vermont	\$ 550	\$ 0	\$ 0	\$ 0	\$ 0	\$ 550
Payroll Withholdings Payable	5,877	0	0	0	0	5,877
Advances from Other Funds	995,664	0	0	0	0	995,664
Due to Other Funds	663,254	0	9,729	0	31,492	704,475
Due to Delinquent Tax Collector	6,307	0	0	0	0	6,307
Short-term Debt Payable	0	0	0	3,000,000	0	3,000,000
Total Liabilities	<u>1,671,652</u>	<u>0</u>	<u>9,729</u>	<u>3,000,000</u>	<u>31,492</u>	<u>4,712,873</u>
Fund Balances/(Deficit):						
Nonspendable	0	0	0	0	42,016	42,016
Restricted	0	0	0	0	52,569	52,569
Committed	0	995,797	0	0	59,453	1,055,250
Assigned	0	0	294,046	0	12,939	306,985
Unassigned/(Deficit)	<u>(160,499)</u>	<u>0</u>	<u>0</u>	<u>(2,351,573)</u>	<u>(31,492)</u>	<u>(2,543,564)</u>
Total Fund Balances/(Deficit)	<u>(160,499)</u>	<u>995,797</u>	<u>294,046</u>	<u>(2,351,573)</u>	<u>135,485</u>	<u>(1,086,744)</u>
Total Liabilities and Fund Balances	<u>\$ 1,511,153</u>	<u>\$ 995,797</u>	<u>\$ 303,775</u>	<u>\$ 648,427</u>	<u>\$ 166,977</u>	<u>\$ 3,626,129</u>

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

TOWN OF MORETOWN, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN MODIFIED CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	General Fund	Savings Reserve Fund	Capital Reserve Fund	FEMA Fund	Non-Major Governmental Funds	Total Governmental Funds
Cash Receipts:						
Property Taxes	\$ 1,345,831	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,345,831
Penalties and Interest on Delinquent Taxes	13,349	0	0	0	0	13,349
Intergovernmental	535,478	0	0	806,064	42,893	1,384,435
Charges for Services	20,667	0	0	0	2,400	23,067
Permits, Licenses and Fees	26,360	0	0	0	5,244	31,604
Investment Income	31,542	989	5,789	0	1,721	40,041
Donations	29,612	0	0	0	0	29,612
Other	3,355	0	0	0	5	3,360
Total Cash Receipts	<u>2,006,194</u>	<u>989</u>	<u>5,789</u>	<u>806,064</u>	<u>52,263</u>	<u>2,871,299</u>
Cash Disbursements:						
General Government	589,951	0	0	0	32,592	622,543
Public Safety	89,465	0	0	0	0	89,465
Highways and Streets	688,795	0	0	2,911,317	0	3,600,112
Culture and Recreation	50,063	0	0	0	309	50,372
Cemetery	8,885	0	0	0	8,044	16,929
Capital Outlay:						
General Government	513,683	0	0	0	38,750	552,433
Public Safety	445,238	0	9,729	0	0	454,967
Highways and Streets	319,819	0	0	0	47,996	367,815
Debt Service:						
Principal	178,966	0	0	0	0	178,966
Interest	39,463	0	0	0	0	39,463
Total Cash Disbursements	<u>2,924,328</u>	<u>0</u>	<u>9,729</u>	<u>2,911,317</u>	<u>127,691</u>	<u>5,973,065</u>
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	<u>(918,134)</u>	<u>989</u>	<u>(3,940)</u>	<u>(2,105,253)</u>	<u>(75,428)</u>	<u>(3,101,766)</u>
Other Financing Sources/(Uses):						
Issuance of Long-term Debt	516,917	0	0	0	48,295	565,212
Transfers In	162,915	0	27,021	0	20,000	209,936
Transfers Out	(20,000)	0	(162,915)	0	(27,021)	(209,936)
Total Other Financing Sources/(Uses)	<u>659,832</u>	<u>0</u>	<u>(135,894)</u>	<u>0</u>	<u>41,274</u>	<u>565,212</u>
Net Change in Fund Balances	<u>(258,302)</u>	<u>989</u>	<u>(139,834)</u>	<u>(2,105,253)</u>	<u>(34,154)</u>	<u>(2,536,554)</u>
Fund Balances/(Deficit) - January 1, 2024, As Previously Presented	97,803	994,808	433,880	(246,320)	258,597	1,538,768
Error Correction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(88,958)</u>	<u>(88,958)</u>
Fund Balances/(Deficit) - January 1, 2024, As Restated	<u>97,803</u>	<u>994,808</u>	<u>433,880</u>	<u>(246,320)</u>	<u>169,639</u>	<u>1,449,810</u>
Fund Balances/(Deficit) - December 31, 2024	<u>\$ (160,499)</u>	<u>\$ 995,797</u>	<u>\$ 294,046</u>	<u>\$ (2,351,573)</u>	<u>\$ 135,485</u>	<u>\$ (1,086,744)</u>

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

TOWN OF MORETOWN, VERMONT
STATEMENT OF FIDUCIARY MODIFIED CASH BASIS NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2024

	Private-Purpose Trust Fund Charles O. Davis Fund	Custodial Fund Education Tax Fund
<u>ASSETS</u>		
Cash	\$ 8,949	\$ 0
Investments	68,070	0
Due from School District	<u>0</u>	<u>34,661</u>
Total Assets	<u>77,019</u>	<u>34,661</u>
<u>LIABILITIES</u>		
Due to Other Funds	<u>0</u>	<u>34,661</u>
Total Liabilities	<u>0</u>	<u>34,661</u>
<u>NET POSITION</u>		
Restricted	<u>77,019</u>	<u>0</u>
Total Net Position	<u>\$ 77,019</u>	<u>\$ 0</u>

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

TOWN OF MORETOWN, VERMONT
STATEMENT OF CHANGES IN FIDUCIARY MODIFIED CASH BASIS NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Private-Purpose Trust Fund <u>Charles O. Davis Fund</u>	<u>Custodial Fund Education Tax Fund</u>
<u>ADDITIONS</u>		
Education Taxes Collected for Other Governments	\$ 0	\$ 4,289,524
Investment Income	<u>3,326</u>	<u>0</u>
Total Additions	<u>3,326</u>	<u>4,289,524</u>
<u>DEDUCTIONS</u>		
Education Taxes Distributed to Other Governments	0	4,289,524
Donations	<u>15,265</u>	<u>0</u>
Total Deductions	<u>15,265</u>	<u>4,289,524</u>
Change in Net Position	<u>(11,939)</u>	<u>0</u>
Net Position - January 1, 2024, As Previously Presented	0	0
Error Correction	<u>88,958</u>	<u>0</u>
Net Position - January 1, 2024, As Restated	<u>88,958</u>	<u>0</u>
Net Position - December 31, 2024	\$ <u><u>77,019</u></u>	\$ <u><u>0</u></u>

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

TOWN OF MORETOWN, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

The Town of Moretown, Vermont operates under a Selectboard form of government and provides the following services: public safety, highways and streets, culture and recreation, cemetery, community development, health and social services, public improvements, planning and zoning and general administrative services.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Financial Reporting Entity

This report includes all of the funds of the Town of Moretown, Vermont. The 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 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 Town.

B. Basis of Presentation

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

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

TOWN OF MORETOWN, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

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

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

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

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

The Town reports on the following major governmental funds:

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

Savings Reserve Fund – This fund accounts for reserves set aside for tax stabilization from the closure of the Moretown Landfill.

Capital Reserve Fund – This fund accounts for general capital expenditures of the Town.

FEMA Fund – This fund accounts for the FEMA related activity of the Town.

Additionally, the Town reports the following fund types:

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

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

TOWN OF MORETOWN, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

C. Measurement Focus

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

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

D. Basis of Accounting

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

The Town's policy is to prepare its financial statements generally on the basis of cash receipts and disbursements; consequently, certain revenue and related assets are recognized when received rather than when earned and certain expenditures and related liabilities are recognized when paid rather than when the obligation is incurred. The exceptions to this are that the Town records investments at cost and reimbursements due from the School District for overpayment of education taxes as assets and amounts due to the State of Vermont for dog and marriage licenses, payroll withholdings payable, amounts due to the delinquent tax collector for delinquent property tax penalties collected but not remitted and short-term debt payable as liabilities.

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

E. New Pronouncement – Accounting Changes and Error Corrections

Effective December 31, 2024, the Town implemented GASB Statement No. 100, "Accounting Changes and Error Corrections", an amendment of GASB Statement No. 62. GASB Statement No. 100 identifies accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes various transactions or events included in these changes. This Statement established accounting and financial reporting requirements for each type of accounting change and correction of an error in previously issued financial statements. The financial reporting requirements related to correction of errors in the Town's previously issued financial statements were applicable to this Statement.

TOWN OF MORETOWN, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

F. Assets, Liabilities and Equity

1. Cash

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

Excess cash of individual funds are shown as due from other funds and excess cash withdrawals are shown as due to other funds.

2. Investments

The Town invests in investments as allowed by State Statute. Investments are reported at cost.

3. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements that are outstanding at the end of the fiscal year are referred to as “advances to/from other funds”. All other outstanding balances between funds are reported as “due from/to other funds”.

4. 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 and fiduciary fund financial statements represent amounts that cannot be appropriated or are legally restricted for a specific purpose by a grant, contract, or other binding agreement. Fund balances in governmental fund financial statements are classified as nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors, or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the Selectboard’s intended use of the resources); and unassigned.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The expenditures budget for the General Fund is approved at the annual Town Meeting in March. Any budget changes require voter approval. There were no budget amendments during the year. The voters are presented estimated revenue projections, however, do not approve them. The Selectboard modifies the revenue projections prior to setting the tax rate if more accurate projections are available. The budget presented herein is for the Town’s “General Fund” only and does not include the Survey Fund activity that is included with the General Fund.

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B. Budgeted Deficit

The Town elected to budget cash disbursements in excess of cash receipts by \$115,654 in the General Fund in order to utilize a portion of the prior year's surplus. This is reflected as a current year's budgeted deficiency of cash receipts over cash disbursements on Schedule 1.

C. Excess of Expenditures Over Appropriations

For the year ended December 31, 2024, expenditures in the General Fund exceeded appropriations by \$492,608. These over-expenditures were partially funded by excess revenues and available fund balance, however resulted in a deficit.

D. Correction of Error in Previously Issued Financial Statements

The Town reclassified the Charles O. Davis Fund from a Special Revenue Fund, previously included in the governmental activities and Non-Major Governmental Funds, to a Private-Purpose Trust Fund. The effects of correcting this error on net position/fund balances is shown in the following table.

	Reporting Units Affected by Restatements of Beginning Balances		
	Government-Wide	Funds	
	Governmental Activities	Non-Major Governmental Funds	Charles O. Davis Fund
Net Position/Fund Balances - January 1, 2024, As Previously Presented	\$ 1,538,768	\$ 258,597	\$ 0
Error Correction:			
Reclassification	<u>(88,958)</u>	<u>(88,958)</u>	<u>88,958</u>
Net Position/Fund Balances - January 1, 2024, As Restated	<u>\$ 1,449,810</u>	<u>\$ 169,639</u>	<u>\$ 88,958</u>

III. DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

Cash and investments as of December 31, 2024 consist of the following:

Cash:	
Deposits with Financial Institutions	\$1,851,574
Cash on Hand	<u>300</u>
Total Cash	1,851,874
Investments:	
Certificates of Deposit	<u>116,474</u>
Total Cash and Investments	<u>\$1,968,348</u>

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The Town has three (3) certificates of deposit with Northfield Savings Bank ranging from \$16,568 to \$68,070 with interest rates ranging from 1.35% to 4.48%. All certificates of deposit mature during 2025.

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. In accordance with the Town's investment policy, collateralization using marketable securities held by a third-party custodian in the Town's name is required on deposits with financial institutions. The following table reflects the custodial credit risk of the Town's cash and certificates of deposit.

	<u>Book Balance</u>	<u>Bank Balance</u>
FDIC Insured	\$1,877,460	\$2,446,458
Uninsured, Collateralized by U.S. Government Agencies Securities Held by the Pledging Financial Institution's Agent	<u>90,588</u>	<u>90,588</u>
Total	<u>\$1,968,048</u>	<u>\$2,537,046</u>

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

The book balance is comprised of the following:

Cash – Deposits with Financial Institutions	\$1,851,574
Investments – Certificates of Deposit	<u>116,474</u>
Total	<u>\$1,968,048</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. In accordance with the Town's investment policy, maturities of certificates of deposit shall not exceed five (5) years unless the yield exceeds the previous three (3) years CPI and maturities of U.S. government securities and fixed income securities shall not exceed ten (10) years. The Town's certificates of deposit are not subject to interest rate risk disclosure.

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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. In accordance with the Town's investment policy, fixed income securities shall be rated investment grade of at least Aa Moody's or AA by Standard & Poors. The Town's certificates of deposit are not subject to credit risk disclosure.

Concentration of Credit Risk

Concentration of credit risk is the risk that a large percentage of the Town's investments are held within one security. In accordance with the Town's investment policy, investments in any one asset are limited to ten percent (10%) of total portfolio value at time of investment. The Town has no investments subject to concentration of credit risk disclosure.

B. Interfund Balances and Transfers

Interfund balances as of December 31, 2024 are as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 0	\$663,254
Capital Reserve Fund	0	9,729
FEMA Fund	648,427	0
Non-Major Governmental Funds	90,709	31,492
Custodial Fund – Education Tax Fund	<u>0</u>	<u>34,661</u>
Total	<u>\$739,136</u>	<u>\$739,136</u>

The General Fund has borrowed \$995,664 from the Savings Reserve Fund in order to finance the Town's current expenses. This is shown as an advance to other funds in the Savings Reserve Fund and an advance from other funds in the General Fund. The Town intends to repay this loan when the funds become available.

Interfund transfers during the year ended December 31, 2024 were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Survey Fund	\$ 10,000*	Appropriation
General Fund	Maintenance Reserve Fund	10,000	Appropriation
General Fund	Bridge and Culvert Fund	10,000	Appropriation
Capital Reserve Fund	General Fund	162,915	Return Unused Capital Funds
ARPA Fund	Capital Reserve Fund	<u>27,021</u>	Fund Capital Expenditures
Total		<u>\$219,936</u>	

TOWN OF MORETOWN, VERMONT
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- * The transfer from the General Fund to the Survey Fund was netted within the General Fund as this fund is consolidated within the General Fund in order to comply with GASB Statement No. 54.

C. Due from School District

During the year ended December 31, 2024, the Town paid the School District \$4,324,185 for education property taxes, as instructed by the State of Vermont. Subsequent to year end, the State issues its final education property tax reconciliation for the State's fiscal year ending June 30, 2024. The State's final reconciliation is estimated to show \$4,289,524 was required to be paid to the School District. The amount of education taxes owed by the School District to the Town as of December 31, 2024 is estimated to be \$34,661.

D. Short-term Debt

The Town has a note payable with Northfield Savings Bank. The terms and activity are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Current Expense Note, Northfield Savings Bank, Flood Damage, Interest at 4.5%, Due July, 2025	\$ <u>0</u>	\$ <u>3,000,000</u>	\$ <u>0</u>	\$ <u>3,000,000</u>
Total	\$ <u>0</u>	\$ <u>3,000,000</u>	\$ <u>0</u>	\$ <u>3,000,000</u>

E. Fund Balances

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

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

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

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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. Governments are required to disclose in the notes key information about their stabilization arrangements, including the authority by which they were established, provisions for additions to the stabilization amount, and circumstances under which those amounts may be spent. The Town maintains a Savings Reserve Fund for the purposes of tax stabilization and for cash flow in anticipation of taxes as approved by the voters.

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

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

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

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

Non-Major Funds

Permanent Fund:

Nonspendable Cemetery Fund Principal	\$ <u>42,016</u>
Total Nonspendable Fund Balances	\$ <u>42,016</u>

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

Non-Major Funds

Special Revenue Funds:

Restricted for Library Expenses by Donations (Source of Revenue is Donations)	\$ 3,432
Restricted for Preservation of Records Expenses by Statute (Source of Revenue is Restoration Fees)	<u>17,015</u>
Total Special Revenue Funds	<u>20,447</u>

Permanent Fund:

Restricted for Cemetery Expenses by Sale of Lots (Source of Revenue is Lot Sales) – Expendable Portion	<u>32,122</u>
Total Restricted Fund Balances	\$ <u>52,569</u>

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

Major Funds

Savings Reserve Fund:

Committed for Tax Stabilization by the Voters (Source of Revenue is Moretown Landfill Host Fees)	\$ <u>995,797</u>
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Non-Major Funds

Capital Projects Funds:

Committed for Maintenance Reserve Expenditures by the Voters	14,782
Committed for Bridge and Culvert Expenditures by the Voters	<u>44,671</u>

Total Non-Major Funds	<u>59,453</u>
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Total Committed Fund Balances	<u>\$1,055,250</u>
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The fund balances in the following funds are assigned as follows:

Major Funds

Capital Reserve Fund:

Assigned for Capital Reserve Expenditures	\$294,046
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Non-Major Funds

Special Revenue Funds:

Assigned for Reappraisal Expenses	<u>12,939</u>
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Total Assigned Fund Balances	<u>\$306,985</u>
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The unassigned deficit of \$160,499 in the General Fund will be funded with grant revenues and future property taxes.

The unassigned deficit of \$2,351,573 in the FEMA Fund will be funded with grant revenues.

The unassigned deficit of \$9,490 in the Sidewalk Fund will be funded with grant revenues and a future transfer from the General Fund.

The unassigned deficit of \$22,002 in the Wastewater Project Fund will be funded with the issuance of long-term debt.

F. Restricted Net Position

The restricted net position in the governmental activities includes the nonspendable fund balances of \$42,016 and the restricted fund balances of \$52,569 for a total of \$94,585.

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The net position held in trust for various purposes in the Town's Private-Purpose Trust Fund as of December 31, 2024 consisted of the following:

Private-Purpose Trust Fund:

Restricted for the Aid of Worthy Couples, not less than	
Sixty-five (65) Years of Age by Bequest	\$77,019

IV. OTHER INFORMATION

A. Pension Plan

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.

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

As of June 30, 2023, the measurement date selected by the State of Vermont, VMERS was funded at 74.01% and had a plan fiduciary net position of \$912,113,032 and a total pension liability of \$1,232,406,785 resulting in a net position liability of \$320,293,753. The Town's proportionate share of this was 0.0809% resulting in a net pension liability of \$258,988. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating municipalities, actuarially determined. The Town's proportion of 0.0809% was a decrease of 0.0002 from its proportion measured as of the prior year.

Summary of Plan Provisions

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

Creditable Service – Service as a member plus purchased service.

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

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

Normal Retirement Amount – Group A – 1.4% of AFC times service. Group B – 1.7% of AFC times service as a Group B member plus percentage earned as a Group A member times AFC. Group C – 2.5% of AFC times service as a Group C member plus percentage earned as a Group A or B member times AFC. Group D – 2.5% of AFC times service as a Group D member plus percentage earned as a Group A, B or C member times AFC. Maximum benefit is 60% of AFC for Groups A and B and 50% of AFC for Groups C and D. The previous amounts include the portion of the allowance provided by member contributions.

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

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

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".

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

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

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

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

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

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

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

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

Member Contribution Rates:

- Group A – 3.75% effective July 1, 2023; 4.00% effective July 1, 2024; 4.25% effective July 1, 2025, and thereafter.
- Group B – 6.125% effective July 1, 2023; 6.375% effective July 1, 2024; 6.625% effective July 1, 2025, and thereafter.
- Group C – 11.25% effective July 1, 2023; 11.50% effective July 1, 2024; 11.75% effective July 1, 2025, and thereafter.
- Group D – 12.60% effective July 1, 2023; 12.85% effective July 1, 2024; 13.10% effective July 1, 2025, and thereafter.

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Employer Contribution Rates:

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

Significant Actuarial Assumptions and Methods

Inflation Rate – 2.30% per year.

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

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

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

Mortality:

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

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

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

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

Age of Spouse – Females three (3) years younger than males.

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

Determination of Discount Rate and Investment Rates of Return

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

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

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

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The discount rate used to measure the Total Pension Liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed plan member and employer contributions will be made at rates set by the Board (employers) and statute (members). For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plans' Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Discount Rate Sensitivity

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

<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
\$389,817	\$258,988	\$151,452

Additional Information

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

B. Risk Management

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

The Town 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 Town has only elected unemployment coverage with the Trust.

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C. Property Taxes

The Town is responsible for assessing and collecting its own property taxes as well as education taxes for the State of Vermont. The tax rate is set by the Selectboard based on the voter approved budget, the estimated grand list and the State education property tax liability. Property taxes are due in one installment on November 1. The penalty rate is four percent (4%) for the first 30 days, increasing to eight percent (8%) thereafter. Interest is charged at one and one-half percent (1-1/2%) per month. The tax rates for 2024 are as follows:

	<u>Homestead</u>	<u>Non-Homestead</u>
Town	.3522	.3522
Education	<u>1.3127</u>	<u>1.2580</u>
Total	<u>1.6649</u>	<u>1.6102</u>

D. Long-term Debt

The Town issues general obligation bonds to provide resources for the acquisition and construction of major capital assets and to refund prior issues. General obligation bonds are direct and pledge the full faith and credit of the Town. New bonds generally are issued as 10 to 30 year bonds.

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

The Town has notes payable to finance capital projects and purchases through local banks.

Long-term debt outstanding as of December 31, 2024 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, Vermont Municipal Bond Bank, Town Garage, Principal Payments of \$45,000 Payable on December 1 Annually, Interest Ranging from 1.391% to 4.981% Payable on June 1 and December 1, Due December, 2029	\$ 270,000	\$ 0	\$ 45,000	\$ 225,000
Bond Payable, State of Vermont Special Environmental Revolving Fund, Wastewater Project, Authorized to \$91,785 but Eligible for 100% Loan Forgiveness. The Town Recognized \$48,295 of the Loan Forgiveness During the Year.	0	48,295	48,295	0

TOWN OF MORETOWN, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Note Payable, Community National Bank, Fire Department Equipment, Principal and Interest Payments of \$7,562 Payable on May 5 Annually, Interest at 1.59%, Due and Paid May, 2024	\$ 7,448	\$ 0	\$ 7,448	\$ 0
Note Payable, Community Bank, N.A., Excavator, Principal Payments of \$29,100 Plus Interest Payable on August 12 Annually, Interest at 2.05%, Due August, 2025	58,200	0	29,100	29,100
Note Payable, Community Bank, N.A., Sidewalk Improvements, Principal Payments of \$26,884 Plus Interest Payable on May 3 Annually, Interest at 2.08%, Due May, 2031	215,075	0	26,884	188,191
Note Payable, Northfield Savings Bank, International Truck, Principal Payments of \$29,807 Plus Interest Payable on February 19 Annually, Interest at 2.15%, Due February, 2026	89,419	0	29,807	59,612
Note Payable, Community Bank, N.A., Highway Equipment, Principal Payments of \$10,000 Plus Interest Payable on May 5 Annually, Interest at 2.69%, Due and Paid May, 2025	20,000	0	10,000	10,000
Note Payable, Community Bank, N.A., Fire Department Equipment, Principal Payments of \$4,400 Plus Interest Payable on August 3 Annually, Interest at 3.34%, Due August, 2027	17,600	0	4,400	13,200
Note Payable, Community Bank, N.A., Highway Equipment, Principal Payments of \$26,327 Plus Interest Payable on October 18 Annually, Interest at 4.93%, Due October, 2038	394,900	0	26,327	368,573

TOWN OF MORETOWN, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Note Payable, Community Bank, N.A., Highway Equipment, Principal Payments of \$90,560 Plus Interest Payable on June 7 Annually Beginning June 7, 2025, Interest at 5.24%, Due June, 2027	\$ 0	\$271,679	\$ 0	\$ 271,679
Note Payable, Northfield Savings Bank, Fire Department Tanker Truck, Principal Payments of \$16,349 Plus Interest Payable on December 12 Annually Beginning December 12, 2025, Interest at 4.99%, Due December, 2039	<u>0</u>	<u>245,238</u>	<u>0</u>	<u>245,238</u>
Total	<u>\$1,072,642</u>	<u>\$565,212</u>	<u>\$227,261</u>	<u>\$1,410,593</u>

Maturities are estimated to be as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 278,427	\$ 60,441
2026	239,325	49,386
2027	209,519	38,939
2028	114,560	29,805
2029	114,560	25,295
2030-2034	267,150	75,658
2035-2039	<u>187,052</u>	<u>21,138</u>
Total	<u>\$1,410,593</u>	<u>\$300,662</u>

E. Contingent Liability

The Town is a participating member in the Mad River Resource Management Alliance. The Town, as a member, could be required to share in any special assessments.

TOWN OF MORETOWN, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Cash Receipts:			
Property Taxes	\$ 1,340,697	\$ 1,345,831	\$ 5,134
Interest on Delinquent Taxes	0	4,318	4,318
Education Billing Fee Retained	9,026	9,677	651
Hold Harmless/Current Use	72,151	84,810	12,659
State Equalization Payment	0	975	975
State Highway Aid	92,641	94,427	1,786
Payment in Lieu of Taxes	0	401	401
Town Clerk Fees	20,000	19,204	(796)
Elections Grant Income	0	5,000	5,000
PACIF Grant Income	0	3,500	3,500
Town Hall Rent	450	3,990	3,540
Town Hall Donations	0	29,587	29,587
Zoning Fees	6,500	4,311	(2,189)
DRB Fees	0	1,185	1,185
Duxbury Fire Contract	14,000	7,000	(7,000)
Library Income	0	718	718
Highway Income	0	1,885	1,885
Village Hill Grant Income	0	31,872	31,872
Park and Ride Grant Income	0	111,184	111,184
HUUSD Reimbursement	0	202,616	202,616
Miscellaneous Income	31,570	34,672	3,102
Issuance of Long-term Debt	750,000	516,917	(233,083)
Transfer from ARPA Fund	0	162,915	162,915
Total Cash Receipts	<u>2,337,035</u>	<u>2,676,995</u>	<u>339,960</u>
Cash Disbursements:			
Town Office:			
Custodial Services	5,600	5,370	230
Building Maintenance	4,500	5,974	(1,474)
Equipment Maintenance	8,100	9,235	(1,135)
Security Camera/Alarm	240	240	0
Equipment Lease - Copier	2,900	2,793	107
Telephone	5,500	5,240	260
Postage	3,400	3,350	50
Supplies	5,400	4,043	1,357
Electricity	3,500	2,083	1,417
Equipment Purchase	7,250	7,584	(334)
Total Town Office	<u>46,390</u>	<u>45,912</u>	<u>478</u>

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TOWN OF MORETOWN, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Town Hall:			
Custodial Wages	\$ 3,120	\$ 263	\$ 2,857
FICA/MEDI	500	41	459
Building Maintenance	0	4,385	(4,385)
Supplies	50	15	35
Electricity	3,000	4,274	(1,274)
Heating Fuel	2,900	1,995	905
Town Hall Restoration Expenses	0	50,995	(50,995)
Total Town Hall	9,570	61,968	(52,398)
Library:			
Librarian Pay	23,369	22,947	422
Assistant Librarian Pay	9,828	10,826	(998)
FICA/MEDI	2,400	2,593	(193)
Building Maintenance	1,198	871	327
Equipment Maintenance	350	216	134
Telephone	1,176	1,129	47
Printing/Advertising	75	0	75
Training/Mileage	150	100	50
Memberships	1,253	2,210	(957)
Supplies	900	936	(36)
Postage	1,100	85	1,015
Electricity	320	405	(85)
Heating Fuel	1,500	559	941
Books, Periodicals, Etc.	3,200	2,091	1,109
Programming Expenses	700	698	2
Courier Grant Expenses	0	1,283	(1,283)
Summer Programming Grant Expenses	0	9	(9)
Total Library	47,519	46,958	561
Town Meetings & Elections:			
Election Officials Pay	2,000	3,037	(1,037)
FICA/MEDI	300	509	(209)
Printing/Publications	6,200	1,900	4,300
Meals	200	160	40
Elections Grant Expenses	0	5,426	(5,426)
Total Town Meetings & Elections	8,700	11,032	(2,332)
Town Reports:			
Town Report Pay	900	896	4
FICA/MEDI	75	101	(26)
Postage/Labeling	900	922	(22)
Printing	1,485	1,748	(263)
Total Town Reports	3,360	3,667	(307)

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TOWN OF MORETOWN, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
General Town Expenses:			
Miscellaneous Expenses	\$ 1,000	\$ 424	\$ 576
Unemployment	554	572	(18)
Legal - Selectboard	2,500	2,003	497
General Legal	2,500	1,940	560
Law Enforcement/Sheriff	20,000	8,986	11,014
Speed Limit Signs	0	1,952	(1,952)
Recreation Expenses	4,050	3,105	945
Washington County Tax	19,860	19,860	0
Liability/Multi-Peril/Workers Compensation Insurance	54,000	56,273	(2,273)
Website Design	500	1,819	(1,319)
Website Expense	5,600	4,408	1,192
FICA/MEDI	500	311	189
Child Care Contribution Tax	0	1,117	(1,117)
HRA	19,250	17,640	1,610
Annual Medical Tests	308	0	308
HRA Administration	250	149	101
Street Flags	500	0	500
Stormwater	22,800	33,311	(10,511)
Street Lights	4,000	3,901	99
Mad River Park Maintenance	2,250	2,250	0
Multi-Use Path	4,000	4,000	0
MERP Grant Expenses	0	1,420	(1,420)
Park and Ride Grant Expenses	0	134,793	(134,793)
Town/School Parking Lot	0	327,895	(327,895)
Total General Town Expenses	164,422	628,129	(463,707)
Memberships:			
Montpelier Ambulance	16,280	16,280	0
Waterbury Ambulance	9,975	9,975	0
CVEDC Dues	800	800	0
Central Vermont Regional Planning Commission	2,331	2,331	0
VLCT Dues	3,514	3,514	0
MRRM Alliance	12,271	12,271	0
Total Memberships	45,171	45,171	0
Tax Collector:			
FICA/MEDI	750	245	505
Total Tax Collector	750	245	505

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TOWN OF MORETOWN, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Constables:			
Constable Pay	\$ 250	\$ 0	\$ 250
FICA/MEDI	20	0	20
Total Constables	270	0	270
Health Officer:			
Health Officer Pay	300	300	0
FICA/MEDI	30	23	7
Supplies	25	0	25
Total Health Officer	355	323	32
Animal Control Officer:			
Animal Control Officer Pay	2,500	2,500	0
FICA/MEDI	190	190	0
Miscellaneous Expenses	200	94	106
Mileage	500	0	500
Total Animal Control Officer	3,390	2,784	606
Auditors:			
CPA/Bookkeeping Services	13,000	11,668	1,332
Total Auditors	13,000	11,668	1,332
Listers:			
Assessor Pay	16,000	1,848	14,152
Update Tax Maps	2,500	2,500	0
WebData Hosting	1,900	717	1,183
Postage	0	52	(52)
Supplies	200	235	(35)
WebGIS Support	3,000	3,000	0
Total Listers	23,600	8,352	15,248
BCA (Tax Appeals):			
Supplies	50	39	11
Total BCA (Tax Appeals)	50	39	11

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TOWN OF MORETOWN, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Zoning Administrator:			
Zoning Administrator Pay	\$ 26,621	\$ 22,577	\$ 4,044
FICA/MEDI	2,000	1,769	231
Supplies	300	10	290
911 Coordinator Expenses	300	0	300
Total Zoning Administrator	29,221	24,356	4,865
Planning Commission:			
Consultant	14,196	5,805	8,391
FICA/MEDI	1,000	349	651
Supplies	0	65	(65)
Total Planning Commission	15,196	6,219	8,977
Development Review Board:			
Postage	50	0	50
Printing/Advertising	500	373	127
Total Development Review Board	550	373	177
Cemeteries:			
Contracted Mowing	8,750	8,750	0
Supplies	150	135	15
Total Cemeteries	8,900	8,885	15
Town Clerk:			
Town Clerk Pay	53,614	58,654	(5,040)
Health Insurance	17,196	17,858	(662)
EyeMed	109	127	(18)
Delta Dental	432	519	(87)
FICA/MEDI - Town Clerk	4,800	4,454	346
Retirement	5,040	5,523	(483)
Miscellaneous Expenses - Town Clerk	60	317	(257)
Assistant Town Clerk	19,793	21,086	(1,293)
FICA/MEDI - Assistant Town Clerk	1,500	1,536	(36)
Miscellaneous Expenses - Assistant Town Clerk	50	177	(127)
Total Town Clerk	102,594	110,251	(7,657)

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TOWN OF MORETOWN, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Town Treasurer:			
Town Treasurer Pay	\$ 13,404	\$ 14,631	\$ (1,227)
FICA/MEDI - Town Treasurer	1,200	1,113	87
Miscellaneous Expenses - Town Treasurer	600	342	258
Assistant Town Treasurer	8,660	9,091	(431)
FICA/MEDI - Assistant Town Treasurer	650	690	(40)
Miscellaneous Expenses - Assistant Town Treasurer	0	12	(12)
Total Town Treasurer	24,514	25,879	(1,365)
Selectboard:			
Selectboard Pay	5,000	5,000	0
Grant Manager	6,300	5,700	600
FICA/MEDI - Selectboard	700	665	35
Printing/Publishing	300	0	300
Supplies	200	195	5
Selectboard Assistant	21,030	22,816	(1,786)
Health Insurance	11,460	11,901	(441)
Disability Insurance	410	202	208
EyeMed	109	109	0
Delta Dental	432	443	(11)
FICA/MEDI - Consulting	2,000	1,874	126
Retirement	3,402	3,834	(432)
Employee Compensation	32,000	6,384	25,616
FEMA Consultant	20,000	57,345	(37,345)
Total Selectboard	103,343	116,468	(13,125)
Fire Station:			
Stipend	5,000	5,000	0
Dispatching Service	24,876	26,850	(1,974)
Building Maintenance	1,500	721	779
Telephone & Internet	2,200	2,274	(74)
Supplies	1,000	716	284
Electricity	900	1,241	(341)
Computer Updates	900	780	120
Heating Fuel	4,000	2,467	1,533
Total Fire Station	40,376	40,049	327
Fire Equipment:			
Radio Repairs/Maintenance	2,500	0	2,500
Supplies	6,000	791	5,209
Gas/Diesel	300	90	210
Total Fire Equipment	8,800	881	7,919

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TOWN OF MORETOWN, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Firemen:			
Training	\$ 500	\$ 0	\$ 500
Miscellaneous Expenses	500	0	500
Mileage	200	0	200
Wildland Fire	500	0	500
Total Firemen	1,700	0	1,700
Fire Vehicles:			
Maintenance and Repairs	8,000	3,098	4,902
Vehicle Supplies	1,000	0	1,000
2024 Tanker	475,000	445,238	29,762
Total Fire Vehicles	484,000	448,336	35,664
Fire Warden:			
Fire Warden Pay	1,000	1,000	0
FICA/MEDI	75	76	(1)
Total Fire Warden	1,075	1,076	(1)
Contracted Services - Fire:			
Town of Waterbury	3,525	7,168	(3,643)
Total Contracted Services - Fire	3,525	7,168	(3,643)
Debt Retirement - Fire:			
SCBA 2021	7,567	7,562	5
SCBA 2022	4,400	4,400	0
SCBA 2022 - Interest	590	584	6
Total Debt Retirement - Fire	12,557	12,546	11
Highway Crew:			
Highway Crew Pay	242,445	243,533	(1,088)
Health Insurance	45,840	44,959	881
Disability Insurance	820	836	(16)
EyeMed	435	408	27
Delta Dental	1,295	1,659	(364)
FICA/MEDI	19,800	22,094	(2,294)
Retirement	16,668	20,493	(3,825)
Uniforms	3,000	3,130	(130)
Miscellaneous Expenses/Mileage	0	68	(68)
Total Highway Crew	330,303	337,180	(6,877)

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TOWN OF MORETOWN, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Highway Work:			
Highway Work	\$ 22,500	\$ 4,681	\$ 17,819
Village Hill	10,790	39,840	(29,050)
N. Moretown Sidewalk	10,000	8,086	1,914
MRGP Permit	1,750	0	1,750
Total Highway Work	45,040	52,607	(7,567)
Highway Supplies:			
Signs	4,000	679	3,321
Safety Materials	1,000	214	786
Chloride	20,000	11,507	8,493
Class IV Road Maintenance Supplies	2,000	0	2,000
Gravel	60,000	49,508	10,492
Miscellaneous Materials	1,750	448	1,302
Salt	6,500	6,048	452
Sand	75,000	72,972	2,028
Stone	3,000	943	2,057
Culverts	20,000	22,515	(2,515)
Guardrails	10,000	0	10,000
PACIF Grant Expenses	0	3,973	(3,973)
Total Highway Supplies	203,250	168,807	34,443
Town Garage:			
Trash Removal	1,500	2,074	(574)
Building Maintenance	3,000	3,003	(3)
Repairs/Maintenance	0	951	(951)
Office/Equipment Maintenance	1,250	1,533	(283)
Telephone	2,500	1,829	671
Supplies	4,000	3,993	7
Welding Expenses	1,250	2,329	(1,079)
Electricity	2,500	1,574	926
Propane	5,500	2,701	2,799
Total Town Garage	21,500	19,987	1,513

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TOWN OF MORETOWN, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Highway Vehicles/Equipment:			
Vehicle Parts & Supplies	\$ 0	\$ 119	\$ (119)
2015 Mack Truck	5,000	21,721	(16,721)
All Trucks	500	794	(294)
Grader	2,000	1,114	886
Loader	4,000	11,755	(7,755)
Excavator	1,500	4,735	(3,235)
2022 Kubota Tractor	500	925	(425)
All Equipment	1,500	1,221	279
Chains	4,000	2,896	1,104
Tires	10,000	11,379	(1,379)
Wear Items	10,000	15,539	(5,539)
2018 International	7,500	5,769	1,731
2018 Dodge Ram	3,000	7,240	(4,240)
2021 International	2,500	6,940	(4,440)
Gas/Diesel/Oil	55,000	55,531	(531)
2025 Western Star Truck	275,000	271,893	3,107
	<u>382,000</u>	<u>419,571</u>	<u>(37,571)</u>
Total Highway Vehicles/Equipment			
	<u>382,000</u>	<u>419,571</u>	<u>(37,571)</u>
Highway Equipment & Tools:			
Wrecker Charge	1,000	0	1,000
Mowing Roadsides	7,000	1,425	5,575
Maintenance	500	219	281
Rentals & Leases	500	2,240	(1,740)
Supplies	1,500	3,427	(1,927)
Purchases	4,450	3,151	1,299
	<u>14,950</u>	<u>10,462</u>	<u>4,488</u>
Total Highway Equipment & Tools			
	<u>14,950</u>	<u>10,462</u>	<u>4,488</u>
Debt Retirement - Highway:			
Excavator	29,100	29,100	0
Excavator - Interest	1,200	1,163	37
East Sidewalk 2021	26,884	26,884	0
East Sidewalk 2021 - Interest	4,480	4,485	(5)
Town Garage	45,000	45,000	0
Town Garage - Interest	12,890	11,129	1,761
2021 International	29,807	29,807	0
2021 International - Interest	1,850	1,946	(96)
2022 Kubota Tractor	10,000	10,000	0
2022 Kubota Tractor - Interest	540	563	(23)
2023 Grader	26,327	26,327	0
2023 Grader - Interest	1,947	19,479	(17,532)
	<u>190,025</u>	<u>205,883</u>	<u>(15,858)</u>
Total Debt Retirement - Highway			
	<u>190,025</u>	<u>205,883</u>	<u>(15,858)</u>

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TOWN OF MORETOWN, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Other Articles & Expenses:			
Battered Women's Services and Shelter	\$ 500	\$ 500	\$ 0
Central Vermont Council on Aging Inc.	1,400	1,400	0
Central Vermont Adult Basic Education	1,200	1,200	0
Capstone Community Action Inc.	400	400	0
Central Vermont Home Health and Hospice	3,750	3,750	0
Family Center on Washington County	500	500	0
Green Mountain Transit	775	775	0
Montpelier Senior Activity Center	1,100	1,100	0
Mad River Valley Senior Center	5,999	5,999	0
Prevent Child Abuse Vermont	400	400	0
Sexual Assault Crisis Team of Washington County	300	300	0
Vermont Association for the Blind & Visually Impaired	500	500	0
Mad River Valley TV	750	750	0
Washington County Diversion Program	350	350	0
Elevate Youth Services	150	150	0
Waterbury Area Senior Center	4,999	4,999	0
Town Events	7,000	6,342	658
Green Up Vermont	100	100	0
Washington County Mental Health	1,200	1,200	0
Community Harvest of Central Vermont	350	350	0
Children's Room	1,000	1,000	0
Transfer to Survey Fund	10,000	10,000	0
Transfer to Maintenance Reserve Fund	10,000	10,000	0
Transfer to Bridge and Culvert Fund	10,000	10,000	0
Total Other Articles & Expenses	<u>62,723</u>	<u>62,065</u>	<u>658</u>
Total Cash Disbursements	<u>2,452,689</u>	<u>2,945,297</u>	<u>(492,608)</u>
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	<u>\$ (115,654)</u>	(268,302)	<u>\$ (152,648)</u>
Adjustments to Reconcile from the Budgetary Basis of Accounting to the Modified Cash Basis of Accounting:			
Survey Fund Transfer In		<u>10,000</u>	
Net Change in Fund Balance		(258,302)	
Fund Balance - January 1, 2024		<u>97,803</u>	
Fund Balance/(Deficit) - December 31, 2024		<u>\$ (160,499)</u>	

The reconciling item is due to combining one (1) fund, the Survey Fund, with the General Fund in order to comply with GASB Statement No. 54.

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TOWN OF MORETOWN, VERMONT
 COMBINING SCHEDULE OF MODIFIED CASH BASIS
 ASSETS, LIABILITIES AND FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2024

	Special Revenue Funds	Capital Projects Funds	Permanent Fund Cemetery Fund	Total
<u>ASSETS</u>				
Cash	\$ 2,135	\$ 0	\$ 25,729	\$ 27,864
Investments	0	0	48,404	48,404
Due from Other Funds	<u>31,251</u>	<u>59,453</u>	<u>5</u>	<u>90,709</u>
Total Assets	\$ <u>33,386</u>	\$ <u>59,453</u>	\$ <u>74,138</u>	\$ <u>166,977</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Due to Other Funds	\$ <u>0</u>	\$ <u>31,492</u>	\$ <u>0</u>	\$ <u>31,492</u>
Total Liabilities	<u>0</u>	<u>31,492</u>	<u>0</u>	<u>31,492</u>
Fund Balances:				
Nonspendable	0	0	42,016	42,016
Restricted	20,447	0	32,122	52,569
Committed	0	59,453	0	59,453
Assigned	12,939	0	0	12,939
Unassigned/(Deficit)	<u>0</u>	<u>(31,492)</u>	<u>0</u>	<u>(31,492)</u>
Total Fund Balances	<u>33,386</u>	<u>27,961</u>	<u>74,138</u>	<u>135,485</u>
Total Liabilities and Fund Balances	\$ <u>33,386</u>	\$ <u>59,453</u>	\$ <u>74,138</u>	\$ <u>166,977</u>

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TOWN OF MORETOWN, VERMONT
 COMBINING SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS
 AND CHANGES IN MODIFIED CASH BASIS FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	Special Revenue Funds	Capital Projects Funds	Permanent Fund Cemetery Fund	Total
Cash Receipts:				
Intergovernmental	\$ 8,287	\$ 34,606	\$ 0	\$ 42,893
Charges for Services	0	0	2,400	2,400
Permits, Licenses and Fees	5,244	0	0	5,244
Investment Income	6	0	1,715	1,721
Other	0	0	5	5
Total Cash Receipts	13,537	34,606	4,120	52,263
Cash Disbursements:				
General Government	32,592	0	0	32,592
Culture and Recreation	309	0	0	309
Cemetery	0	0	8,044	8,044
Capital Outlay:				
General Government	0	38,750	0	38,750
Highways and Streets	0	47,996	0	47,996
Total Cash Disbursements	32,901	86,746	8,044	127,691
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	(19,364)	(52,140)	(3,924)	(75,428)
Other Financing Sources/(Uses):				
Issuance of Long-term Debt	0	48,295	0	48,295
Transfers In	0	20,000	0	20,000
Transfers Out	(27,021)	0	0	(27,021)
Total Other Financing Sources/(Uses)	(27,021)	68,295	0	41,274
Net Change in Fund Balances	(46,385)	16,155	(3,924)	(34,154)
Fund Balances - January 1, 2024, As Previously Presented	168,729	11,806	78,062	258,597
Error Correction	(88,958)	0	0	(88,958)
Fund Balances - January 1, 2024, As Restated	79,771	11,806	78,062	169,639
Fund Balances - December 31, 2024	\$ 33,386	\$ 27,961	\$ 74,138	\$ 135,485

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TOWN OF MORETOWN, VERMONT
 COMBINING SCHEDULE OF MODIFIED CASH BASIS
 ASSETS, LIABILITIES AND FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2024

	Library Fund	Reappraisal Fund	ARPA Fund	Preservation of Records Fund	Total
<u>ASSETS</u>					
Cash	\$ 2,135	\$ 0	\$ 0	\$ 0	\$ 2,135
Due from Other Funds	<u>1,297</u>	<u>12,939</u>	<u>0</u>	<u>17,015</u>	<u>31,251</u>
Total Assets	\$ <u>3,432</u>	\$ <u>12,939</u>	\$ <u>0</u>	\$ <u>17,015</u>	\$ <u>33,386</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Fund Balances:					
Restricted	3,432	0	0	17,015	20,447
Assigned	<u>0</u>	<u>12,939</u>	<u>0</u>	<u>0</u>	<u>12,939</u>
Total Fund Balances	<u>3,432</u>	<u>12,939</u>	<u>0</u>	<u>17,015</u>	<u>33,386</u>
Total Liabilities and Fund Balances	\$ <u>3,432</u>	\$ <u>12,939</u>	\$ <u>0</u>	\$ <u>17,015</u>	\$ <u>33,386</u>

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TOWN OF MORETOWN, VERMONT
 COMBINING SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS
 AND CHANGES IN MODIFIED CASH BASIS FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	Library Fund	Reappraisal Fund	ARPA Fund	Preservation of Records Fund	Charles O. Davis Fund	Total
Cash Receipts:						
Intergovernmental	\$ 0	\$ 8,287	\$ 0	\$ 0	\$ 0	\$ 8,287
Permits, Licenses and Fees	0	0	0	5,244	0	5,244
Investment Income	6	0	0	0	0	6
Total Cash Receipts	6	8,287	0	5,244	0	13,537
Cash Disbursements:						
General Government	0	25,655	665	6,272	0	32,592
Culture and Recreation	309	0	0	0	0	309
Total Cash Disbursements	309	25,655	665	6,272	0	32,901
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	(303)	(17,368)	(665)	(1,028)	0	(19,364)
Other Financing Sources/(Uses):						
Transfers Out	0	0	(27,021)	0	0	(27,021)
Total Other Financing Sources/(Uses)	0	0	(27,021)	0	0	(27,021)
Net Change in Fund Balances	(303)	(17,368)	(27,686)	(1,028)	0	(46,385)
Fund Balances - January 1, 2024, As Previously Presented	3,735	30,307	27,686	18,043	88,958	168,729
Error Correction	0	0	0	0	(88,958)	(88,958)
Fund Balances - January 1, 2024, As Restated	3,735	30,307	27,686	18,043	0	79,771
Fund Balances - December 31, 2024	\$ <u>3,432</u>	\$ <u>12,939</u>	\$ <u>0</u>	\$ <u>17,015</u>	\$ <u>0</u>	\$ <u>33,386</u>

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TOWN OF MORETOWN, VERMONT
 COMBINING SCHEDULE OF MODIFIED CASH BASIS
 ASSETS, LIABILITIES AND FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2024

	Sidewalk Fund	Maintenance Reserve Fund	Bridge and Culvert Fund	Wastewater Project Fund	Total
<u>ASSETS</u>					
Due from Other Funds	\$ 0	\$ 14,782	\$ 44,671	\$ 0	\$ 59,453
Total Assets	<u>\$ 0</u>	<u>\$ 14,782</u>	<u>\$ 44,671</u>	<u>\$ 0</u>	<u>\$ 59,453</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Due to Other Funds	\$ 9,490	\$ 0	\$ 0	\$ 22,002	\$ 31,492
Total Liabilities	<u>9,490</u>	<u>0</u>	<u>0</u>	<u>22,002</u>	<u>31,492</u>
Fund Balances/(Deficit):					
Committed	0	14,782	44,671	0	59,453
Unassigned/(Deficit)	<u>(9,490)</u>	<u>0</u>	<u>0</u>	<u>(22,002)</u>	<u>(31,492)</u>
Total Fund Balances/(Deficit)	<u>(9,490)</u>	<u>14,782</u>	<u>44,671</u>	<u>(22,002)</u>	<u>27,961</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 14,782</u>	<u>\$ 44,671</u>	<u>\$ 0</u>	<u>\$ 59,453</u>

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TOWN OF MORETOWN, VERMONT
 COMBINING SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS
 AND CHANGES IN MODIFIED CASH BASIS FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	Sidewalk Fund	Maintenance Reserve Fund	Bridge and Culvert Fund	Wastewater Project Fund	Total
Cash Receipts:					
Intergovernmental	\$ 34,606	\$ 0	\$ 0	\$ 0	\$ 34,606
Total Cash Receipts	<u>34,606</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>34,606</u>
Cash Disbursements:					
Capital Outlay:					
General Government	0	0	0	38,750	38,750
Highways and Streets	<u>29,438</u>	<u>18,558</u>	<u>0</u>	<u>0</u>	<u>47,996</u>
Total Cash Disbursements	<u>29,438</u>	<u>18,558</u>	<u>0</u>	<u>38,750</u>	<u>86,746</u>
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	<u>5,168</u>	<u>(18,558)</u>	<u>0</u>	<u>(38,750)</u>	<u>(52,140)</u>
Other Financing Sources:					
Issuance of Long-term Debt	0	0	0	48,295	48,295
Transfers In	<u>0</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>	<u>20,000</u>
Total Other Financing Sources	<u>0</u>	<u>10,000</u>	<u>10,000</u>	<u>48,295</u>	<u>68,295</u>
Net Change in Fund Balances	5,168	(8,558)	10,000	9,545	16,155
Fund Balances/(Deficit) - January 1, 2024	<u>(14,658)</u>	<u>23,340</u>	<u>34,671</u>	<u>(31,547)</u>	<u>11,806</u>
Fund Balances/(Deficit) - December 31, 2024	\$ <u>(9,490)</u>	\$ <u>14,782</u>	\$ <u>44,671</u>	\$ <u>(22,002)</u>	\$ <u>27,961</u>

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with "Government Auditing Standards"

Selectboard
Town of Moretown, Vermont
79 School Street
Moretown, VT 05660

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, each major fund, and the aggregate remaining fund information of the Town of Moretown, Vermont, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Town of Moretown, Vermont's basic financial statements, and have issued our report thereon dated June 9, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Moretown, Vermont's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Moretown, Vermont's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Moretown, Vermont's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Town of Moretown, Vermont's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. 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 Town of Moretown, 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 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 Town of Moretown, Vermont's internal control or on compliance. This report is an integral part of an audit performed in accordance with "Government Auditing Standards" in considering the Town of Moretown, Vermont's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sullivan, Powers & Co.

June 9, 2025
Montpelier, Vermont
VT Lic. #92-000180