

APPENDIXES

Appendix A: Independent Audit Report - Town
Fothergill, Segale & Valley
Montpelier, VT

Appendix B: Independent Audit Report - School
Fothergill, Segale & Valley
Montpelier, VT

BARRE TOWN ELECTED AUDITORS' REPORT

We have reviewed the financial statements prepared by Fothergill, Segale & Valley, CPA, for Barre Town funds and for School District funds.

To the best of our knowledge, they correctly illustrate the cash receipts and disbursements of the Town and School District for the indicated periods and fairly present the financial condition of the Town of Barre and the Town of Barre School District on June 30, 2009.

BARRE TOWN AUDITORS
Charles Woodhams
Melissa Brown
Tanya Pelletier

Appendix A: Independent Audit Report -Town

**TOWN OF BARRE, VERMONT
AUDIT REPORT AND FINANCIAL STATEMENTS**

JUNE 30, 2009

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TOWN OF BARRE, VERMONT
AUDIT REPORT AND FINANCIAL STATEMENTS
JUNE 30, 2009

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FOTHERGILL SEGALE & VALLEY

Certified Public Accountants



John E. (Jeff) Fothergill, CPA
Michael L. Segale, CPA
Sheila R. Valley, CPA
Teresa H. Kajenski, CPA
Jane M. Burroughs, CPA
Donald J. Murray, CPA

INDEPENDENT AUDITOR'S REPORT

November 23, 2009

To the Board of Selectmen
Town of Barre
Barre, Vermont

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Barre, Vermont, as of and for the year ended June 30, 2009, which collectively comprise the Town's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Barre, Vermont, as of June 30, 2009, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The supplementary information in Schedules 1 through 3 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material aspects in relation to the basic financial statements taken as a whole.

Respectfully submitted,

Fothergill Segale & Valley, CPAs

FOTHERGILL SEGALE & VALLEY, CPAs
Vermont Public Accountancy License #110

TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2009

Our discussion and analysis of the Town of Barre, Vermont's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2009. Please read it in conjunction with the Town's financial statements which begin on page 10.

Financial Highlights

- The Town's net assets increased by \$280,669 as a result of this year's operations. While net assets of our business-type activities decreased by \$66,046, net assets of our governmental activities increased by \$346,715 or nearly 4 percent.
- In the Town's business-type activities, revenues and transfers were \$3,302,010 while expenses were \$3,368,056. Net assets at June 30, 2009 totaled \$3,358,937.
- The cost of all of the Town's programs was \$9,256,154 this year, with no new programs added.
- The General Fund reported a deficit this year of \$147,402 which was \$6,428 better than budgeted.
- The unreserved fund balance for the General Fund was \$956,508 as of June 30, 2009. This amount represents the amount of funds available for future budgets. This fund balance may have to be used in the future to eliminate the unrestricted deficits that exist in the Enterprise Funds.
- The Community Development Fund reported a surplus this year of \$8,650, which resulted in a fund balance deficit of \$89,570 as of June 30, 2009.
- The Construction Fund reported a surplus this year of \$48,795, which resulted in a fund balance of \$11,939.
- The Non-major Funds reported a surplus of \$56,511 this year which increased the cumulative surplus to \$486,207.

Using This Annual Report

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Exhibits A and B) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start on Exhibit C. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside the government.

Reporting the Town as a Whole

The government-wide financial statements are on Exhibit A and B. One of the most important questions asked about the Town's finances is, "Is the Town as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2009
(Continued)

These two statements report the Town's net assets and changes in them. You can think of the Town's net assets – the difference between assets and liabilities – as one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Town's property tax base and the condition of the Town's roads, to assess the overall health of the Town.

In the Statement of Net Assets and the Statement of Activities, we divide the Town into two kinds of activities:

- **Governmental activities** – Most of the Town's basic services are reported here, including the police, public safety, highway and streets, sanitation, health and welfare, culture and recreation, equipment and building maintenance, and general administration. Property taxes and state and federal grants finance most of these activities.
- **Business-type activities** – The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's sewer, water, ambulance and bus activities are reported here.

Reporting the Town's Most Significant Funds

The fund financial statements begin on page 12 and provide detailed information about the most significant funds – not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, the Town Selectboard establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Town's two kinds of funds – governmental and proprietary – use different accounting approaches.

- **Governmental funds** – Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in Exhibits D and F that are included in the financial statements.
- **Proprietary funds** – When the Town charges customers for the services it provides – whether to outside customers or to other units of the Town – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

**TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2009
(Continued)**

The Town as a Whole

The Town's combined net assets increased by \$280,669 from a year ago – increasing from a balance of \$12,826,233 to \$13,106,902. Looking at the net assets and net expenses of governmental and business-type activities separately, however, two very different stories emerge. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the Town's governmental and business-type activities.

**Table 1
Net Assets**

	Governmental Activities		Business-type Activities		Total Government	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 2,764,408	\$ 3,232,231	\$ (421,871)	\$ (461,116)	\$ 2,342,537	\$ 2,771,115
Capital assets	9,002,733	8,823,543	5,765,149	5,728,054	14,767,882	14,551,597
Total assets	11,767,141	12,055,774	5,343,278	5,266,938	17,110,419	17,322,712
Other liabilities	581,276	816,153	595,488	335,148	1,176,764	1,151,301
Long term liabilities	1,437,900	1,838,371	1,388,853	1,506,807	2,826,753	3,345,178
Total liabilities	2,019,176	2,654,524	1,984,341	1,841,955	4,003,517	4,496,479
Net assets:						
Invested in capital assets,						
net of debt	7,825,866	7,254,429	4,306,403	4,272,598	12,132,269	11,527,027
Restricted	918,318	867,350	465,616	466,003	1,383,934	1,333,353
Unrestricted (deficit)	1,003,781	1,279,471	(1,413,082)	(1,313,618)	(409,301)	(34,147)
Total net assets	\$ 9,747,965	\$ 9,401,250	\$ 3,358,937	\$ 3,424,983	\$ 13,106,902	\$ 12,826,233

Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – changed from a \$1,279,471 surplus at June 30, 2008, to a \$1,003,781 surplus at June 30, 2009 for the governmental activities. This decrease is due to a reduction in capital improvement grants.

The net assets of our business-type activities decreased to \$3,358,937 compared to \$3,424,983 in fiscal year 2008. The Town generally can only use these net assets to finance the continuing operations of the sewer, water, ambulance and bus operations. This decrease is due to significant operating losses in the sewer and water funds as noted on Page 18.

**TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2009
(Continued)**

**Table 2
Change in Net Assets**

	2009			2008		
	Governmental Activities	Business-type Activities	Total Government	Governmental Activities	Business-type Activities	Total Government
REVENUES						
Program revenues:						
Charges for services	\$ 543,678	\$ 3,096,260	\$ 3,639,938	\$ 565,503	\$ 2,693,453	\$ 3,258,956
Operating grants	346,385	0	346,385	320,080	0	320,080
Capital grants and contributions	497,353	0	497,353	1,270,164	85,303	1,355,467
General revenues:						
Property taxes	4,985,487	0	4,985,487	4,899,911	0	4,899,911
Earnings from investments	45,862	8,675	54,537	97,979	7,012	104,991
Miscellaneous	0	399	399	(25,568)	1,608	(23,960)
Gain (loss) on sale of capital assets	14,974	(2,250)	12,724	17,409	0	17,409
Total revenues	6,433,739	3,103,084	9,536,823	7,145,478	2,787,376	9,932,854
PROGRAM EXPENSES						
General government	1,135,872	0	1,135,872	902,119	0	902,119
Public safety	1,374,619	0	1,374,619	1,271,458	0	1,271,458
Highways and street	2,883,624	0	2,883,624	2,509,519	0	2,509,519
Sanitation	61,822	0	61,822	62,476	0	62,476
Health and welfare	50,009	0	50,009	50,815	0	50,815
Culture and recreational	278,885	0	278,885	248,251	0	248,251
Interest on short-term debt	39,957	0	39,957	48,767	0	48,767
Interest on long-term debt	63,310	0	63,310	34,307	0	34,307
Sewer	0	1,080,015	1,080,015	0	983,255	983,255
Water	0	292,941	292,941	0	301,043	301,043
Ambulance	0	1,676,872	1,676,872	0	1,561,755	1,561,755
Bus	0	318,228	318,228	0	337,302	337,302
Total program expenses	5,888,098	3,368,056	9,256,154	5,127,712	3,183,355	8,311,067
Excess revenues (expenses)						
before transfers	545,641	(264,972)	280,669	2,017,766	(395,979)	1,621,787
Transfers	(198,926)	198,926	0	(198,926)	198,926	0
Increase (decrease) in net assets	\$ 346,715	\$ (66,046)	\$ 280,669	\$ 1,818,840	\$ (197,053)	\$ 1,621,787

Our analysis below separately considers the operations of governmental and business-type activities.

Governmental Activities

The increase in net assets for governmental activities was \$346,715 in 2009. Revenues decreased by \$711,739, or 10%, and expenses increased by \$760,386, or 15%, compared to 2008. Most of this decrease in revenue is from a reduction in capital grants and the increase in expenses is due to increases in highway expenditures.

The cost of all governmental activities this year was \$5,888,098. However, as shown in the Statement of Activities on Exhibit B, the amount that our taxpayers ultimately financed for these activities through Town taxes was only \$4,500,682 because some of the cost was paid by those who directly benefited from the programs (\$543,678) or by other governments and organizations that subsidized certain programs with grants and contributions (\$843,738).

Business-type Activities

The business-type activities net assets decreased by \$66,046 in 2009. Revenues increased by \$315,708, or 12%, and expenses increased by \$184,701, or 6%, compared to 2008.

TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2009
(Continued)

Table 3 presents the cost of each of the Town's six largest programs – general government, public safety, highways and street, sanitation, health and welfare, and cultural and recreation – as well as each program's net cost (total cost less revenue generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

Table 3
Governmental Activities

	2009		2008	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 1,135,872	\$ 849,167	\$ 902,119	\$ 627,872
Public safety	1,374,619	1,083,199	1,271,458	787,969
Highways and street	2,883,624	2,351,601	2,509,519	1,430,728
Sanitation	61,822	57,241	62,476	58,464
Health and welfare	50,009	49,949	50,815	50,785
Cultural and recreation	278,885	6,258	248,251	(66,927)
Interest on debt	103,267	103,267	83,074	83,074
Totals	\$ 5,888,098	\$ 4,500,682	\$ 5,127,712	\$ 2,971,965

The Town's Funds

As the Town completed the year, its governmental funds (as presented in the Balance Sheet on Exhibit C) reported a combined fund balance of \$1,479,689, which represents a decrease of \$33,446 from last year's total of \$1,513,135. Included in this year's total change in fund balance is a decrease of \$147,402 in the Town's General Fund, an increase in the Community Development Fund of \$8,650, an increase in the Construction Fund of \$48,795 and an increase of \$56,511 in the other nonmajor governmental funds.

Exhibit G compares actual to budget for the General Fund. The most significant variances of actual to budget were as follows:

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 4,656,276	\$ 4,822,608	\$ 166,332
Intergovernmental	312,780	506,513	193,733
Expenditures:			
Interest on short-term debt	0	39,957	(39,957)
Capital outlays	347,835	742,213	(394,378)

The variance in taxes was related to better than expected collections. The intergovernmental revenue variance was due to greater than expected grant income because of the flood damage. Capital outlays were over budget mostly due to damage done during the flooding. Interest expense variance was due to interest on the tax anticipation note.

TOWN OF BARRE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2009
(Continued)

Capital Assets and Debt Administration

Capital Assets

At June 30, 2009, the Town had \$14,767,882 invested in a broad range of capital assets, including police, ambulance and fire equipment, buildings, buses and water and sewer line, net of accumulated depreciation. (See Table 4 below) This amount represents a net increase (including additions, disposals and depreciation) of \$216,285, over last year.

Table 4
Capital Assets at Year-End
(Net of Accumulated Depreciation)

	Governmental Activities		Business-type Activities		Totals	
	2009	2008	2009	2008	2009	2008
Land	\$ 1,609,215	\$ 1,609,215	\$ 0	\$ 0	\$ 1,609,215	\$ 1,609,215
Construction in progress	0	257,492	15,483	0	15,483	257,492
Water/sewer lines	0	0	8,793,984	8,629,358	8,793,984	8,629,358
Buildings & improv.	1,981,725	1,915,480	413,891	413,891	2,395,616	2,329,371
Equipment	5,062,510	5,125,513	1,538,436	1,411,676	6,600,946	6,537,189
Infrastructure	5,675,137	4,482,862	0	0	5,675,137	4,482,862
Accum. Depreciation	<u>(5,325,854)</u>	<u>(4,567,019)</u>	<u>(4,996,645)</u>	<u>(4,726,871)</u>	<u>(10,322,499)</u>	<u>(9,293,890)</u>
Totals	<u>\$ 9,002,733</u>	<u>\$ 8,823,543</u>	<u>\$ 5,765,149</u>	<u>\$ 5,728,054</u>	<u>\$14,767,882</u>	<u>\$14,551,597</u>

This year's major additions included:

Governmental Activities

Culvert - Camp Street	\$ 48,165
Paving	705,191
Columbarium	41,608
Sidewalk construction	181,427
Radio expansion kits	5,146
Fire equipment	27,453
Vehicles	31,969
Building improvements	24,637
	<u>\$ 1,065,596</u>

Business Type Activities

Sewer/water lines	\$ 150,840
Buses	172,066
Ambulance equipment	33,456
	<u>\$ 356,362</u>

TOWN OF BARRE, VERMONT
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 YEAR ENDED JUNE 30, 2009
 (Continued)

Debt Administration

At June 30, 2009, the Town had \$2,621,820 in bonds and capital leases outstanding versus \$3,169,570 on June 30, 2008 – a decrease of \$547,750 – as shown in Table 5.

Table 5
 Outstanding Debt at Year-End

	Governmental Activities		Business-type Activities		Totals	
	2009	2008	2009	2008	2009	2008
General obligation bonds	\$ 855,000	945,000	\$ 1,177,116	\$ 1,245,265	\$ 2,032,116	\$ 2,190,265
Capital leases payable	451,867	769,114	137,837	210,191	589,704	979,305
Totals	\$ 1,306,867	\$ 1,714,114	\$ 1,314,953	\$ 1,455,456	\$ 2,621,820	\$ 3,169,570

No new long-term debt was acquired in fiscal year ended June 30, 2009.

Economic Factors and Next Year's Budgets and Rates

The Town's elected and appointed officials considered many factors when setting the fiscal year 2010 budget, tax rates, and fees.

When adopting the budget for the 2009-2010 year, the Selectboard took into account operational and capital needs of the Town, and the impact of spending on the tax rate.

The Town budgeted no change in fund balance for the fiscal year ending June 30, 2010.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Manager at Town of Barre, Websterville, Vermont, 05678-0116.

TOWN OF BARRE, VERMONT
STATEMENT OF NET ASSETS
JUNE 30, 2009

EXHIBIT A

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$ 610,967	\$ 270,510	\$ 881,477
Investments	188,451	0	188,451
Accounts receivable, net	23,377	335,314	358,691
Grant receivable - State of Vermont	124,653	0	124,653
Property taxes receivable, net	330,275	0	330,275
Interest and penalties receivable, net	81,101	25,881	106,982
Prepaid expenses	31,963	14,478	46,441
Internal balances	1,068,054	(1,068,054)	0
Notes receivable due within one year	30,712	0	30,712
Notes receivable due after one year	274,855	0	274,855
Capital assets:			
Land	1,609,215	0	1,609,215
Construction in progress	0	15,483	15,483
Water/sewer lines	0	8,793,984	8,793,984
Infrastructure	5,675,137	0	5,675,137
Buildings and improvements	1,981,725	413,891	2,395,616
Equipment	5,062,510	1,538,436	6,600,946
Accumulated depreciation	(5,325,854)	(4,996,645)	(10,322,499)
Total assets	<u>11,767,141</u>	<u>5,343,278</u>	<u>17,110,419</u>
LIABILITIES			
Accounts payable			
Capital assets / paving	400,053	0	400,053
Other	148,970	232,204	381,174
Payroll withholding payable	4,772	0	4,772
Accrued wages	27,481	13,284	40,765
Bond anticipation note payable	0	350,000	350,000
Bonds and leases payable due within one year	337,211	123,624	460,835
Accrued compensated absences due after one year	131,033	73,900	204,933
Bonds and leases payable due after one year	969,656	1,191,329	2,160,985
Total liabilities	<u>2,019,176</u>	<u>1,984,341</u>	<u>4,003,517</u>
NET ASSETS			
Unrestricted	1,003,781	(1,413,082)	(409,301)
Restricted for Community development projects	128,404	0	128,404
Restricted for sidewalk construction	11,939	0	11,939
Restricted for Barre Area Development	177,163	0	177,163
Restricted for other projects	111,161	0	111,161
Restricted for sewer improvement	0	465,616	465,616
Restricted for reappraisal	221,821	0	221,821
Restricted for skate park maintenance	3,444	0	3,444
Restricted for cemetery	33,452	0	33,452
Restricted for recreation	2,052	0	2,052
Restricted for cemetery trust	228,882	0	228,882
Invested in capital assets, net of related debt	7,825,866	4,306,403	12,132,269
Total net assets	<u>\$ 9,747,965</u>	<u>\$ 3,358,937</u>	<u>\$ 13,106,902</u>

See Notes to Financial Statements.

TOWN OF BARRE, VERMONT
STATEMENT OF ACTIVITIES
YEAR ENDED, JUNE 30, 2009

EXHIBIT B

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Change in Net Assets		
					Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government	\$ 1,135,872	\$ 126,720	\$ 159,985	\$ 0	\$ (849,167)	\$ 0	\$ (849,167)
Public safety	1,374,619	239,232	0	52,188	(1,083,199)	0	(1,083,199)
Highway and streets	2,883,624	166,044	186,400	179,579	(2,351,601)	0	(2,351,601)
Sanitation	61,822	4,581	0	0	(57,241)	0	(57,241)
Health and welfare	50,009	60	0	0	(49,949)	0	(49,949)
Culture and recreation	278,885	7,041	0	265,586	(6,258)	0	(6,258)
Interest on debt	103,267	0	0	0	(103,267)	0	(103,267)
Total governmental activities	5,888,098	543,678	346,385	497,353	(4,500,682)	0	(4,500,682)
Business-type Activities							
Sewer	1,080,015	869,197	0	0	0	(210,818)	(210,818)
Water	292,941	235,946	0	0	0	(56,995)	(56,995)
Ambulance	1,676,872	1,525,221	0	0	0	(151,651)	(151,651)
Bus	318,228	465,896	0	0	0	147,668	147,668
Total business-type activities	3,368,056	3,096,260	0	0	0	(271,796)	(271,796)
Total government	\$ 9,256,154	\$ 3,639,938	\$ 346,385	\$ 497,353	(4,500,682)	(271,796)	(4,772,478)
General Revenues:							
Property taxes					4,885,887	0	4,885,887
Penalties and interest					99,600	0	99,600
Earnings on investments					45,862	8,675	54,537
Gain (loss) on sale of equipment					14,974	(2,250)	12,724
Miscellaneous					0	399	399
Transfers					(198,926)	198,926	0
Total general revenues and transfers					4,847,397	205,750	5,053,147
Change in net assets					346,715	(66,046)	280,669
Net assets - July 1, 2008					9,401,250	3,424,983	12,826,233
Net assets - June 30, 2009					\$ 9,747,965	\$ 3,358,937	\$ 13,106,902

TOWN OF BARRE, VERMONT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

EXHIBIT C

	Major Funds			Nonmajor Funds	Totals
	General Fund	Community Development	Construction Fund	Other Governmental Funds	
ASSETS					
Cash	\$ 200,153	\$ 206,049	\$ 0	\$ 204,765	\$ 610,967
Investments	0	0	0	188,451	188,451
Accounts receivable, net	10,205	0	0	13,173	23,378
Grant receivable - State of Vermont	0	0	124,653	0	124,653
Delinquent taxes receivable, net	330,275	0	0	0	330,275
Interest and penalties receivable, net	81,101	0	0	0	81,101
Prepays	29,355	0	0	463	29,818
Notes receivable	177,163	128,404	0	0	305,567
Due from other funds	1,375,025	0	0	79,993	1,455,018
Total assets	\$ 2,203,277	\$ 334,453	\$ 124,653	\$ 486,845	\$ 3,149,228
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable					
Capital assets / paving	\$ 400,053	\$ 0	\$ 0	\$ 0	\$ 400,053
Other	148,970	0	0	0	148,970
Payroll withholding payable	4,772	0	0	0	4,772
Accrued wages	25,538	0	0	638	26,176
Due to other funds	0	295,619	112,714	0	408,333
Deferred revenue					
Property taxes/ interest	375,668	0	0	0	375,668
Barre Area Development	177,163	0	0	0	177,163
Loans	0	128,404	0	0	128,404
Total liabilities	1,132,164	424,023	112,714	638	1,669,539
Fund Balances					
Reserved - Note 9	114,605	0	0	0	114,605
Unreserved (deficit)	956,508	(89,570)	11,939	486,207	1,365,084
Total fund balances (deficit)	1,071,113	(89,570)	11,939	486,207	1,479,689
Total liabilities and fund balances	\$ 2,203,277	\$ 334,453	\$ 124,653	\$ 486,845	\$ 3,149,228

TOWN OF BARRE, VERMONT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS
 BALANCE SHEET TO THE STATEMENT OF NET ASSETS
 JUNE 30, 2009

EXHIBIT D

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS \$ 1,479,689

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the asset is \$9,123,128 and the accumulated depreciation is \$2,261,152. 6,861,976

Deferred revenues are recognized on an accrual basis in the statement of net assets, not the modified accrual basis. Deferred revenue at year end consisted of the following:

Deferred tax revenue	375,668	
Deferred note revenue	<u>305,568</u>	681,236

Internal service funds are used by management to charge the costs of certain activities, such as equipment and building use charges to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. 1,120,356

Long-term liabilities, including bonds and leases payable are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

Bonds and leases payable	(280,000)	
Accrued compensated absences	<u>(115,292)</u>	<u>(395,292)</u>

TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES \$ 9,747,965

TOWN OF BARRE, VERMONT EXHIBIT E
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)
 GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2009

	Major Funds			Nonmajor Funds	Totals
	General Fund	Community Development	Construction Fund	Other Governmental Funds	
REVENUES					
Taxes	\$ 4,822,608	\$ 0	\$ 0	\$ 75,520	\$ 4,898,128
Interest and penalties	106,600	0	0	0	106,600
Licenses and permits	15,611	0	0	0	15,611
Intergovernmental	506,513	0	265,586	30,489	802,588
Grant income	0	41,151	0	0	41,151
Charges for services	184,086	0	0	34,769	218,855
Loan repayments	0	9,230	0	0	9,230
Investment income	24,400	1,766	0	15,841	42,007
Miscellaneous	24,250	1,600	0	0	25,850
Total revenues	5,684,068	53,747	265,586	156,619	6,160,020
EXPENDITURES					
Current					
General government	634,415	0	0	0	634,415
Public safety	1,041,840	0	0	0	1,041,840
Highway and streets	2,249,984	0	0	0	2,249,984
Sanitation	61,822	0	0	0	61,822
Health and welfare	50,009	0	0	0	50,009
Culture, recreation, develop. & transp.	255,935	0	0	0	255,935
Insurance and benefits	395,090	0	0	0	395,090
County tax	71,745	0	0	0	71,745
Community development	0	45,097	0	0	45,097
Cemetery	0	0	0	58,500	58,500
Interest on short-term debt	39,957	0	0	0	39,957
Miscellaneous	15,882	0	422	0	16,304
Capital outlays	742,213	0	225,169	41,608	1,008,990
Debt service					
Principal	50,000	0	0	0	50,000
Interest	14,852	0	0	0	14,852
Total expenditures	5,623,744	45,097	225,591	100,108	5,994,540
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	60,324	8,650	39,995	56,511	165,480
OTHER FINANCING SOURCES (USES)					
Operating transfers in	0	0	8,800	12,310	21,110
Operating transfers out	(207,726)	0	0	(12,310)	(220,036)
Total other financing sources (uses)	(207,726)	0	8,800	0	(198,926)
NET CHANGE IN FUND BALANCES	(147,402)	8,650	48,795	56,511	(33,446)
FUND BALANCES (DEFICIT) - JULY 1, 2008	1,218,515	(98,220)	(36,856)	429,696	1,513,135
FUND BALANCES (DEFICIT) - JUNE 30, 2009	\$ 1,071,113	\$ (89,570)	\$ 11,939	\$ 486,207	\$ 1,479,689

See Notes to Financial Statements.

TOWN OF BARRE, VERMONT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT
 OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)
 TO THE STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2009

EXHIBIT F

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ (33,446)

Amounts reported for governmental activities in the statement of activities are different because:

Capital assets used in governmental activities are reported as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital outlays net of disposals and adjustments (\$1,008,990) exceeds depreciation expense (\$501,104) in the period.

507,886

Property taxes and Community Development loan payments are recognized on an accrual basis in the statement of net assets, not the modified accrual basis.

The deferred property taxes decreased by \$19,241 and deferred notes decreased by \$217,376.

(236,617)

Repayment of bonds principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities in the statement of net assets.

50,000

In the statement of activities, accrued compensated absences are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, compensated absences incurred was greater than the amounts paid by \$6,813.

(6,813)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.

65,705

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES

\$ 346,715

To eliminate the doubling up of internal service charges between the Governmental Activities and the Business-type Activities on the statement of activities the charges for services was decreased by \$832,585, the general government expenses was decreased by \$261,645, the highway and streets was decreased by \$564,602, and the Cemetery Fund was decreased by \$6,338.

TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
GENERAL FUND - BUDGET TO ACTUAL
YEAR ENDED JUNE 30, 2009

EXHIBIT G

	General Budget			Highway Budget			Total General Fund		
	Original and Final Budget	Actual	Variance Favorable (Unfavorable)	Original and Final Budget	Actual	Variance Favorable (Unfavorable)	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES									
Taxes	\$ 2,274,221	\$ 2,440,553	\$ 166,332	\$ 2,382,055	\$ 2,382,055	\$ 0	\$ 4,656,276	\$ 4,822,608	\$ 166,332
Taxes - interest and penalties	64,000	106,600	42,600	0	0	0	64,000	106,600	42,600
Licenses and permits	19,085	15,611	(3,474)	0	0	0	19,085	15,611	(3,474)
Intergovernmental	118,950	140,534	21,584	193,830	365,979	172,149	312,780	506,513	193,733
Charges for services	155,500	176,250	20,750	10,580	7,836	(2,744)	166,080	184,086	18,006
Investment income	17,000	24,400	7,400	0	0	0	17,000	24,400	7,400
Miscellaneous	30,260	24,250	(6,010)	0	0	0	30,260	24,250	(6,010)
Total revenues	<u>2,679,016</u>	<u>2,928,198</u>	<u>249,182</u>	<u>2,586,465</u>	<u>2,755,870</u>	<u>169,405</u>	<u>5,265,481</u>	<u>5,684,068</u>	<u>418,587</u>
EXPENDITURES									
Current									
General government	646,950	634,415	12,535	0	0	0	646,950	634,415	12,535
Public safety	1,043,220	1,041,840	1,380	0	0	0	1,043,220	1,041,840	1,380
Highways and streets	0	0	0	2,240,380	2,249,984	(9,604)	2,240,380	2,249,984	(9,604)
Sanitation	62,520	61,822	698	0	0	0	62,520	61,822	698
Health and welfare	54,405	50,009	4,396	0	0	0	54,405	50,009	4,396
Culture, recreation, develop., transport.	249,405	255,935	(6,530)	0	0	0	249,405	255,935	(6,530)
Insurances and benefits	406,660	395,090	11,570	0	0	0	406,660	395,090	11,570
County tax	71,745	71,745	0	0	0	0	71,745	71,745	0
Interest on short-term debt	0	39,957	(39,957)	0	0	0	0	39,957	(39,957)
Miscellaneous	23,126	15,882	7,244	0	0	0	23,126	15,882	7,244
Capital outlays	10,550	12,599	(2,049)	337,285	709,614	(372,329)	347,835	742,213	(394,378)
Debt service:									
Principal	50,000	50,000	0	0	0	0	50,000	50,000	0
Interest	15,340	14,852	488	0	0	0	15,340	14,852	488
Total expenditures	<u>2,633,921</u>	<u>2,664,146</u>	<u>(30,225)</u>	<u>2,577,665</u>	<u>2,959,598</u>	<u>(381,933)</u>	<u>5,211,586</u>	<u>5,623,744</u>	<u>(412,158)</u>
EXCESS REVENUES (EXPENDITURES)	<u>45,095</u>	<u>264,052</u>	<u>218,957</u>	<u>8,800</u>	<u>(203,728)</u>	<u>(212,528)</u>	<u>53,895</u>	<u>60,324</u>	<u>6,429</u>
OTHER FINANCING SOURCES (USES)									
Transfers to other funds	<u>(207,725)</u>	<u>(207,726)</u>	<u>(1)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(207,725)</u>	<u>(207,726)</u>	<u>(1)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (162,630)</u>	<u>\$ 56,326</u>	<u>\$ 218,956</u>	<u>\$ 8,800</u>	<u>\$ (203,728)</u>	<u>\$ (212,528)</u>	<u>\$ (153,830)</u>	<u>\$ (147,402)</u>	<u>\$ 6,428</u>
FUND BALANCE - JULY 1, 2008								<u>1,218,515</u>	
FUND BALANCE - JUNE 30, 2009								<u>\$ 1,071,113</u>	

TOWN OF BARRE, VERMONT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2009

EXHIBIT H

	Major Enterprise Funds					Internal Service Funds
	Sewer	Water	Ambulance	Bus	Total	
ASSETS						
Current assets:						
Cash	\$ 0	\$ 270,510	\$ 0	\$ 0	\$ 270,510	\$ 0
Prepays	1,478	5,160	6,800	1,040	14,478	2,146
Due from other funds	0	0	0	0	0	21,369
Accounts receivable, net	55,760	67,562	116,912	95,080	335,314	0
Interest & penalties receivable, net	13,110	12,771	0	0	25,881	0
Total current assets	<u>70,348</u>	<u>356,003</u>	<u>123,712</u>	<u>96,120</u>	<u>646,183</u>	<u>23,515</u>
Noncurrent assets:						
Capital assets						
Sewer/water lines	6,334,214	2,459,770	0	0	8,793,984	0
Buildings and improvements	170,153	0	234,328	9,410	413,891	965,128
Equipment	27,600	5,871	205,410	1,299,555	1,538,436	4,240,331
Construction in process	0	15,483	0	0	15,483	0
Accumulated depreciation	(3,184,830)	(738,703)	(187,162)	(885,950)	(4,996,645)	(3,064,703)
Total noncurrent assets	<u>3,347,137</u>	<u>1,742,421</u>	<u>252,576</u>	<u>423,015</u>	<u>5,765,149</u>	<u>2,140,756</u>
Total assets	<u>3,417,485</u>	<u>2,098,424</u>	<u>376,288</u>	<u>519,135</u>	<u>6,411,332</u>	<u>2,164,271</u>
LIABILITIES						
Current liabilities:						
Accounts payable	229,372	0	2,832	0	232,204	0
Accrued wages	849	1,434	11,001	0	13,284	1,305
Due to other funds	52,449	162,047	731,904	121,654	1,068,054	0
Bond anticipation note payable	0	350,000	0	0	350,000	0
Bonds and leases payable within one year	36,250	12,449	0	74,925	123,624	292,211
Total current liabilities	<u>318,920</u>	<u>525,930</u>	<u>745,737</u>	<u>196,579</u>	<u>1,787,166</u>	<u>293,516</u>
Noncurrent liabilities:						
Bonds and leases payable after one year	471,250	657,167	0	62,912	1,191,329	734,656
Compensated absences	18,945	2,234	46,890	5,831	73,900	15,743
Total noncurrent liabilities	<u>490,195</u>	<u>659,401</u>	<u>46,890</u>	<u>68,743</u>	<u>1,265,229</u>	<u>750,399</u>
Total liabilities	<u>809,115</u>	<u>1,185,331</u>	<u>792,627</u>	<u>265,322</u>	<u>3,052,395</u>	<u>1,043,915</u>
NET ASSETS						
Restricted for sewer improvements - expendable	465,616	0	0	0	465,616	0
Unrestricted (deficit)	(696,883)	(15,919)	(668,915)	(31,365)	(1,413,082)	6,467
Invested in capital assets, net of related debt	2,839,637	929,012	252,576	285,178	4,306,403	1,113,889
Total net assets	<u>\$ 2,608,370</u>	<u>\$ 913,093</u>	<u>\$ (416,339)</u>	<u>\$ 253,813</u>	<u>\$ 3,358,937</u>	<u>\$ 1,120,356</u>

See Notes to Financial Statements.

TOWN OF BARRE, VERMONT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2009

EXHIBIT I

	Major Enterprise Funds					Internal Service Funds
	Sewer	Water	Ambulance	Bus	Totals	
OPERATING REVENUES:						
Charges for services	\$ 850,634	\$ 229,103	\$ 1,525,221	\$ 465,896	\$ 3,070,854	\$ 1,141,799
Interest and penalties	18,563	6,843	0	0	25,406	0
Gain (loss) on sale of equipment	0	0	0	(2,250)	(2,250)	14,975
Other	0	0	0	399	399	18,226
Total operating revenues	869,197	235,946	1,525,221	464,045	3,094,409	1,175,000
OPERATING EXPENSES:						
Salaries and benefits	148,153	51,663	1,287,615	79,046	1,566,477	175,776
Supplies	7,755	101,873	25,226	77,441	212,295	382,324
Outside services	739,295	22,064	110,723	3,156	875,238	28,595
Insurance	1,911	918	6,477	13,263	22,569	26,721
Equipment and tools	39,865	16,227	170,830	545	227,467	12,448
Buildings and grounds	11,649	19,298	42,054	19,817	92,818	58,656
Training	0	508	5,730	0	6,238	0
Depreciation	131,387	48,954	26,914	109,508	316,763	373,793
Other	0	275	737	0	1,012	6,378
Total operating expenses	1,080,015	261,780	1,676,306	302,776	3,320,877	1,064,691
INCOME (LOSS) FROM OPERATIONS	(210,818)	(25,834)	(151,085)	161,269	(226,468)	110,309
NONOPERATING REVENUES (EXPENSES)						
Investment income	3,472	4,925	278	0	8,675	3,855
Interest expense	0	(31,161)	(566)	(15,452)	(47,179)	(48,458)
Total nonoperating revenues (expenses)	3,472	(26,236)	(288)	(15,452)	(38,504)	(44,603)
NET INCOME (LOSS) BEFORE TRANSFERS	(207,346)	(52,070)	(151,373)	145,817	(264,972)	65,706
TRANSFERS						
Transfers in	0	0	198,926	0	198,926	0
Total transfers	0	0	198,926	0	198,926	0
CHANGE IN NET ASSETS	(207,346)	(52,070)	47,553	145,817	(66,046)	65,706
NET ASSETS - JULY 1, 2008	2,815,716	965,163	(463,892)	107,996	3,424,983	1,054,650
NET ASSETS - JUNE 30, 2009	\$ 2,608,370	\$ 913,093	\$ (416,339)	\$ 253,813	\$ 3,358,937	\$ 1,120,356

**TOWN OF BARRE, VERMONT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2009**

EXHIBIT J

	Major Enterprise Funds					Internal Service Funds
	Sewer	Water	Ambulance	Bus	Totals	
CASH FLOWS FROM (TO) OPERATING ACTIVITIES						
Cash received from customers	\$ 859,116	\$ 251,455	\$ 1,557,980	\$ 370,816	\$ 3,039,367	\$ 1,143,499
Other operating cash receipts	0	0	0	399	399	18,226
Cash payments to employees for services	(141,665)	(56,989)	(1,275,356)	(81,741)	(1,555,751)	(177,218)
Cash payments to suppliers for goods and services	(875,766)	(161,153)	(359,706)	(114,288)	(1,510,913)	(518,081)
Net cash from (to) operating activities	<u>(158,315)</u>	<u>33,313</u>	<u>(77,082)</u>	<u>175,186</u>	<u>(26,898)</u>	<u>466,426</u>
CASH FLOWS FROM (TO) NONCAPITAL FINANCING ACTIVITIES						
Transfers from other funds	0	0	198,926	0	198,926	0
(Increase) decrease in due from other funds	145,749	0	0	0	145,749	(21,370)
Increase (decrease) in due to other funds	52,449	69,125	(68,098)	84,626	138,102	(13,086)
Net cash from (to) financing activities	<u>198,198</u>	<u>69,125</u>	<u>130,828</u>	<u>84,626</u>	<u>482,777</u>	<u>(34,456)</u>
CASH FLOWS FROM (TO) CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	(7,105)	(143,794)	(33,457)	(172,006)	(356,362)	(56,606)
Disposition of capital assets	0	0	0	0	0	26,486
Bond anticipation note proceeds	0	350,000	0	0	350,000	0
Interest paid on bonds and capital leases	0	(31,160)	(566)	(15,453)	(47,178)	(48,458)
Retirement of bonds and capital leases	(36,250)	(11,898)	(20,000)	(72,354)	(140,502)	(357,247)
Net cash from (to) capital and related financing activities	<u>(43,355)</u>	<u>163,148</u>	<u>(54,023)</u>	<u>(259,813)</u>	<u>(194,042)</u>	<u>(435,824)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest income	3,472	4,924	277	0	8,673	3,856
NET INCREASE IN CASH AND CASH EQUIVALENTS						
	0	270,510	0	0	270,510	0
CASH AND CASH EQUIVALENTS - JULY 1, 2008						
	0	0	0	0	0	0
CASH AND CASH EQUIVALENTS - JUNE 30, 2009						
	<u>\$ 0</u>	<u>\$ 270,510</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 270,510</u>	<u>\$ 0</u>
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM (TO) OPERATING ACTIVITIES						
Income (loss) from operations	\$ (210,818)	\$ (25,834)	\$ (151,085)	\$ 161,269	\$ (226,468)	\$ 110,309
Adjustments to reconcile loss from operations to net cash flow from (to) operating activities:						
Depreciation	131,389	48,956	26,914	109,505	316,764	373,792
(Gain) loss on sale of equipment	0	0	0	2,250	2,250	(14,975)
Change in assets and liabilities:						
(Increase) decrease in accounts receivable	(7,321)	23,864	32,760	(95,080)	(45,777)	1,700
(Increase) decrease in other receivables	(2,760)	(8,355)	0	0	(11,115)	0
(Increase) decrease in prepaids	(113)	9	4,727	(64)	4,559	(50)
Increase (decrease) in accrued wages	(1,305)	422	(7,943)	(2,998)	(11,824)	(1,406)
Increase (decrease) in accounts payable	(75,179)	0	(2,657)	0	(77,836)	(2,908)
Increase (decrease) in compensated absences	7,792	(5,749)	20,202	304	22,549	(36)
Net cash from (to) operating activities	<u>\$ (158,315)</u>	<u>\$ 33,313</u>	<u>\$ (77,082)</u>	<u>\$ 175,186</u>	<u>\$ (26,898)</u>	<u>\$ 466,426</u>

See Notes to Financial Statements.

TOWN OF BARRE, VERMONT

EXHIBIT K

STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2009

	<u>Agency Fund</u>
ASSETS	
Cash	<u>\$ 17,065</u>
 LIABILITIES AND NET ASSETS	
LIABILITIES	
Held for Barre Beautiful	\$ 2,249
Held for Barre Heritage Festival	1,179
Held for CVYMCA	10,527
Held for employees - Sec. 125 plan funds	1,865
Held for Flags for Veterans	<u>1,245</u>
Total liabilities	<u>\$ 17,065</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

The Town of Barre, Vermont (the Town), is organized according to Vermont State Law and Town Charter, under the governance of a five member Selectboard to provide the following services for the Town of Barre: public health and safety, highways and streets, culture and recreation, public improvements, sanitation, planning and zoning, and general administration. Included in public health and safety are ambulance services, which are also provided to certain surrounding towns under contract agreements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is primarily responsible for establishing GAAP for state and local governments through its pronouncements (including Statements and Interpretations). Governments are also required to follow the Statements and Interpretations of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Town has the option to apply FASB Statements and Interpretations after that date to its business-type activities and enterprise funds, the Town has chosen not to do so. The more significant accounting policies established in GAAP and used by the Town are discussed below.

Reporting Entity

The Town's basic financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town's reporting entity are set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, and GASB 14.

Based on the criteria, the Town has no component units.

Basic Financial Statements – Government-Wide Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town's Community Development Fund, Reappraisal Fund, Recreation Fund, Construction Fund, Cemetery Trust Fund, Cemetery Fund, Equipment Fund, Building Fund, and General Fund activities are classified as governmental. The Town's Water Fund, Sewer Fund, Ambulance Fund, and School Bus Fund activities are classified as business-type.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Town first utilizes restricted resources to finance qualifying activities for which both restricted and unrestricted resources are available.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's governmental functions and business-type activities (water, sewer, etc.). The functions are also supported by general government revenue (property taxes, certain intergovernmental revenues, and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenue, including operating and capital grants. Program revenues must be directly associated with the governmental function (public safety, highways and streets, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by governmental function or business-type activity) are normally covered by general revenues (property taxes, intergovernmental revenue, interest income, etc.).

This government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net assets resulting from the current year's activities.

Basic Financial Statements – Fund Financial Statements

The financial transactions of the Town are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by major fund within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental category or enterprise type. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenses/expenditures of either fund category/type or the governmental and enterprise funds combined) for the determination of major funds. The General Fund, Community Development Fund, Construction Fund, Bus Fund, Sewer Fund, Water Fund and Ambulance Fund are shown as major funds. All other funds are nonmajor and are combined in a single column in each of the respective fund financial statements.

The Town reports on the following major governmental funds:

General Fund is the main operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Community Development Fund is used to account for community development loans throughout the Town.

Construction Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The Town is not required to but is electing to treat the Construction Fund as a major fund.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Funds

The focus of proprietary funds measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the major enterprise funds of the Town:

Sewer Fund is used to account for the operations of the sewer department.

Water Fund is used to account for the operations of the water department.

Ambulance Fund is used to account for the operations of the ambulance department.

Bus Fund is used to account for maintenance, repair and purchase of school buses used by Barre Town School District.

Fiduciary Funds

Agency funds are used to account for assets held by the Town as an agent for individuals, private organizations, and other governments. The fund is used to record revenues and expenses of the activities run for and by others. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Additionally the Town reports the following:

Internal service funds are used to account for financing of services to other funds. The internal service funds of the Town consist of the Equipment Fund and the Building Maintenance Fund.

Measurement Focus

The accounting and financial reporting applied to a fund is determined by its measurement focus. Government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. This means that all assets and liabilities associated with the operation of these funds (whether current or noncurrent) are included on the balance sheet (or statement of net assets). Fund equity (i.e. net total assets) is segregated into invested in capital assets, net of related debt, restricted net assets, and unrestricted net assets. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrual

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when transactions occur and expenses are recognized when liabilities are incurred.

Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end for property taxes and six months for other revenue. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, are recognized when due.

Cash and Cash Equivalents

The Town has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agent.

Budgetary Accounting

The Town approves a budget for the General Fund at an annual Town Meeting and the Selectboard based on the budget and Grand List determines the tax rate. Formal budgetary accounting is employed as a management control device during the year for the General Fund. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Capital Assets

Capital assets purchased or acquired with an original cost of \$1,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	50 years
Equipment	5 – 20 years
Utility plant	40 – 50 years
Infrastructure	8 – 20 years

GASB No. 34 requires the Town to report and depreciate new general infrastructure assets prospectively starting July 1, 2003. General infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued Compensated Absences

Government-Wide Financial Statements – All vested or accumulated vacation leave is reported as a liability and an expense on the government-wide financial statements. Sick days are not accrued since they are not paid when the employee terminates employment.

Fund Financial Statements - Vested or accumulated vacation leave that has matured is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are not reported as a liability in the fund financial statements and no expenditure is reported for these amounts. Unused sick days may be accumulated to use in the following year, but sick days are not accrued since they are not paid when the employee terminates employment.

Deferred Revenue

Deferred revenue consists of the following:

General Fund - Delinquent taxes not collected within sixty (60) days after year end and long-term receivables.

Community Development Fund – Long-term receivables.

Net Assets

Net assets represent the difference between assets and liabilities in the statement of net assets. Net resources invested in capital assets are reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are legal limitations imposed by their use by Town legislation or external restrictions by creditors, grantors, laws or regulations of other governments.

Fund Balances

Equity is classified in the following categories:

Reserved - Indicates the portion of equity that has been legally segregated or encumbered for specific future uses or not available for appropriation.

Unreserved - Indicates the portion of fund equity that is available for appropriation and expenditure in future periods.

Investments

Investments are stated at fair value, (quoted market price, or the best available estimate).

TOWN OF BARRE, VERMONT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009
 (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Activities

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund activities are treated as transfers. Transfers between funds are netted in the preparation of the government-wide financial statements, except for the net amounts due between governmental and business-type activities, which are reported as "internal balances".

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

The Treasurer is authorized to invest excess deposits and investments according to policies set by the Selectboard.

Deposits

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2009, \$36,688 of the government's bank balance of \$1,089,519 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 36,688</u>
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Investments

Investments at June 30, 2009 are as follows:

		<u>Maturity Date</u>	
Municipal bonds	\$ 99,316	through 5/1/39	
Government notes	89,135	through 11/13/28	
	<u>\$ 188,451</u>		

Credit Risk – Investments. The Town has an investment policy that limits its investment choices to policies set by the Selectboard.

Interest Rate Risk – Investments. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)

Investment income is comprised of the following components for the year ended June 30, 2009:

	Interest	Realized and Unrealized Gains	Total
General Fund	\$ 24,400	\$ 0	\$ 24,400
Community Development	1,766	0	1,766
Other governmental	14,424	1,417	15,841
Enterprise Funds	8,675	0	8,675
Internal Service Fund	3,855	0	3,855
Total	<u>\$ 53,120</u>	<u>\$ 1,417</u>	<u>\$ 54,537</u>

NOTE 3 - RECEIVABLES

Receivables and allowance for uncollectible account balances as of June 30, 2009 are as follows:

	Receivables	Allowance for Uncollectible Accounts	Net Receivables
General Fund:			
Delinquent taxes receivable	\$ 355,275	\$ (25,000)	\$ 330,275
Penalties and interest on delinquent taxes	89,101	(8,000)	81,101
Miscellaneous receivables	24,205	(14,000)	10,205
	<u>\$ 468,581</u>	<u>\$ (47,000)</u>	<u>\$ 421,581</u>
Special Revenue Funds			
Accounts receivable	\$ 13,173	\$ 0	\$ 13,173
Enterprise Funds			
Sewer Fund			
Accounts receivable	\$ 56,021	\$ (261)	\$ 55,760
Penalties and interest receivable	13,110	0	13,110
Water Fund			
Accounts receivable	67,562	0	67,562
Penalties and interest receivable	12,771	0	12,771
Ambulance			
Accounts receivable	556,912	(440,000)	116,912
Bus Fund			
Accounts receivable	95,080	0	95,080
	<u>\$ 801,456</u>	<u>\$ (440,261)</u>	<u>\$ 361,195</u>

NOTE 4 - NOTES RECEIVABLE

Notes receivable consist of the following at June 30, 2009:

General Fund:

Due from Barre Area Development, Inc., annual principal payments of \$15,000 starting 12/01 to 12/10, then \$10,000, due 12/1/20.	
Interest at 4.344% to 5.644% with semiannual interest payments.	\$ 177,163
Due within one year	(21,525)
Due after one year	<u>\$ 155,638</u>

TOWN OF BARRE, VERMONT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009
 (Continued)

NOTE 4 - NOTES RECEIVABLE (Continued)

Community Development Fund:

Due from Vermont Housing Rehabilitation Program and Vermont Community Improvement Grant, interest at 1 to 4%.	\$ 61,941
Due from Vermont Foodbank, 0% interest, annual payments of \$8,333 starting 1/06, due January 15, 2017.	60,000
Due from Central Vermont Community Land Trust (CVCLT), 3% interest, monthly payments of \$86, due June 1, 2016.	<u>6,463</u>
Total notes receivable at June 30, 2009	<u>128,404</u>
Due within one year	<u>(9,187)</u>
Due after one year	<u>\$ 119,217</u>

The note receivable from the Vermont Housing Rehabilitation Program and Vermont Community Improvement Grant is for uncollected amounts which the Town has contracted with Central Vermont Community Land Trust to administer in exchange for interest earnings on the loans.

NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES

The Town has combined some of the cash resources of its governmental, proprietary and internal service fund types for accounting and reporting purposes, that portion of the pooled cash balance is reported in the specific fund as an interfund balance. Interfund balances at June 30, 2009 were:

	Interfund Receivables	Interfund Payables
Governmental funds		
General Fund	\$ 1,375,025	\$ 0
Community Development	<u>0</u>	<u>295,619</u>
Construction	<u>0</u>	<u>112,714</u>
Other governmental funds		
Cemetery Fund	20,454	0
Recreation Fund	2,052	0
Reappraisal Fund	29,546	0
Cemetery Trust Fund	<u>27,941</u>	<u>0</u>
Total other governmental funds	<u>79,993</u>	<u>0</u>
Total governmental funds	<u>1,455,018</u>	<u>408,333</u>
Proprietary funds		
Sewer	0	52,449
Water	0	162,047
Ambulance	0	731,904
School bus	<u>0</u>	<u>121,654</u>
Total proprietary funds	<u>0</u>	<u>1,068,054</u>
Internal service funds		
Equipment	0	65,768
Building maintenance	<u>87,137</u>	<u>0</u>
Total internal service funds	<u>87,137</u>	<u>65,768</u>
Total	<u>\$ 1,542,155</u>	<u>\$ 1,542,155</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009, was as follows:

	Balance June 30, 2008	Additions	Disposals	Depreciation	Balance June 30, 2009
<i>Governmental activities</i>					
Capital assets not depreciated					
Land	\$ 1,609,215	\$ 0	\$ 0	\$ 0	\$ 1,609,215
Construction in progress	257,492	(257,492)	0	0	0
Total capital assets not deprec.	<u>1,866,707</u>	<u>(257,492)</u>	<u>0</u>	<u>0</u>	<u>1,609,215</u>
Capital assets being depreciated					
Buildings and improvements	1,915,480	66,245	0	0	1,981,725
Vehicles and equipment	5,125,513	64,568	(127,571)	0	5,062,510
Infrastructure	4,482,862	1,192,275	0	0	5,675,137
Total capital assets deprec.	<u>11,523,855</u>	<u>1,323,088</u>	<u>(127,571)</u>	<u>0</u>	<u>12,719,372</u>
Less accumulated depreciation for:					
Buildings and improvements	(455,228)	0	0	(38,302)	(493,530)
Vehicles and equipment	(3,298,690)	0	116,062	(418,603)	(3,601,231)
Infrastructure	(813,101)	0	0	(417,992)	(1,231,093)
Total accum. depreciation	<u>(4,567,019)</u>	<u>0</u>	<u>116,062</u>	<u>(874,897)</u>	<u>(5,325,854)</u>
Total capital assets, net	<u>\$ 8,823,543</u>	<u>\$ 1,065,596</u>	<u>\$ (11,509)</u>	<u>\$ (874,897)</u>	<u>\$ 9,002,733</u>
<i>Business-type activities</i>					
	Balance June 30, 2008	Additions	Disposals	Depreciation	Balance June 30, 2009
Buildings and improvements	\$ 413,891	\$ 0	\$ 0	\$ 0	\$ 413,891
Utility systems	8,629,358	164,626	0	0	8,793,984
Equipment and vehicles	1,411,676	176,253	(49,493)	0	1,538,436
Construction in progress	0	15,483	0	0	15,483
Accum. deprec. - bldgs & improv.	(224,605)	0	0	(8,278)	(232,883)
Accum. deprec. - utility systems	(3,591,224)	0	0	(172,908)	(3,764,132)
Accum. deprec. - equip. & vehicles	(911,042)	0	46,990	(135,578)	(999,630)
Total capital assets, net	<u>\$ 5,728,054</u>	<u>\$ 356,362</u>	<u>\$ (2,503)</u>	<u>\$ (316,764)</u>	<u>\$ 5,765,149</u>

Depreciation expense was charged to functions as follows:

<i>Governmental activities:</i>	
General government	\$ 24,354
Public safety	51,393
Highway and streets	418,210
Recreation	7,146
Equipment	366,902
Building	6,892
Total governmental activities depreciation expense	<u>\$ 874,897</u>
<i>Business-type activities:</i>	
Sewer	\$ 131,389
Water	48,955
Ambulance	26,914
Bus	109,506
Total business-type activities depreciation expense	<u>\$ 316,764</u>

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

NOTE 7 - SHORT-TERM DEBT

In July 2008, the Town received a tax anticipation note from Community National Bank for \$1,244,600 at a rate of 3.35% and due June 30, 2009.

In August 2008, the Town received a bond anticipation note from RBS Citizens N.A. for \$350,000 at a rate of 2.55% and due August 27, 2009.

Changes in the short-term debt for the governmental and business-type activities were as follows:

	Governmental Activities	Business-type Activities
Balance - June 30, 2008	\$ 350,000	\$ 0
Additions	1,244,600	350,000
Payments	(1,594,600)	0
Balance - June 30, 2009	<u>\$ 0</u>	<u>\$ 350,000</u>

Interest paid on short-term debt during fiscal year 2009 was \$39,957.

NOTE 8 - LONG-TERM LIABILITIES

The following is a summary of changes of long-term liabilities for the year ended June 30, 2009.

	Total	Governmental Activities	Business-type Activities
Long-term liabilities at July 1, 2008	\$ 3,345,178	\$ 1,838,371	\$ 1,506,807
Increase in accrued vacation payable	38,173	12,793	25,380
Decrease in accrued vacation payable	(8,848)	(6,017)	(2,831)
Bonds retired and capital lease payments	<u>(547,749)</u>	<u>(407,247)</u>	<u>(140,502)</u>
Long-term liabilities payable at June 30, 2009	2,826,754	1,437,900	1,388,854
Due within one year	(460,835)	(337,211)	(123,624)
Due after one year	<u>\$ 2,365,919</u>	<u>\$ 1,100,689</u>	<u>\$ 1,265,230</u>

Long-term debt will mature approximately as follows:

Years ending	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
June 30, 2010	\$ 337,211	\$ 54,029	\$ 391,240	\$ 123,624	\$ 37,014	\$ 160,638
June 30, 2011	173,078	40,407	213,485	79,834	33,098	112,932
June 30, 2012	115,946	42,353	158,299	82,230	31,003	113,233
June 30, 2013	97,865	25,207	123,072	50,505	28,805	79,310
June 30, 2014	98,660	21,745	120,405	51,163	28,147	79,310
June 30, 2015-2019	289,107	73,223	362,330	266,807	129,743	396,550
June 30, 2020-2024	195,000	21,290	216,290	252,234	108,066	360,300
June 30, 2025-2029	0	0	0	134,402	80,898	215,300
June 30, 2030-2034	0	0	0	168,463	46,837	215,300
June 30, 2035-2039	0	0	0	70,836	16,512	87,348
June 30, 2040-2044	0	0	0	34,855	2,342	37,197
Total	<u>1,306,867</u>	<u>\$ 278,254</u>	<u>\$ 1,585,121</u>	<u>1,314,953</u>	<u>\$ 542,465</u>	<u>\$ 1,857,418</u>
Due within one year	<u>337,211</u>			<u>123,624</u>		
Due after one year	<u>\$ 1,644,078</u>			<u>\$ 1,438,577</u>		

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

NOTE 8- LONG-TERM LIABILITIES (Continued)

Long-term liabilities include the following:

Governmental Activities

General obligation municipal bonds with the Vermont Municipal Bond Bank, 1998 Series 1, originally \$500,000, proceeds used for Town's share of public library building improvements, due in annual installments on December 1 through 2013, rate of interest at 4.552%.	\$ 150,000
General obligation municipal bonds with the Vermont Municipal Bond Bank, 2000 Series 1, originally \$250,000, proceeds used for business incubator building, due in annual installments on December 1 through 2020, rate of interest at 5.182%.	130,000
General obligation municipal bonds - 2003 Series 2, originally \$775,000, interest at 3.9% due in decreasing annual installments of \$40,000 to \$35,000 plus interest, due December 2023.	575,000
Lease payable to Union Planters Bank, interest at 5.24% due in annual installments of \$21,191, due August 2010. Secured by fire rescue vehicle.	39,263
Lease payable to Sun Trust Leasing Corporation, interest at 2.197%, due in annual installments of \$18,865, due March 2010. Secured by excavator.	18,309
Lease payable to Municipal Leasing Consultants, interest at 4.09%, due in annual installments of \$34,606, due November 2010. Secured by five ambulances.	99,407
Lease payable to Municipal Leasing Consultants, interest at 4.45%, due in annual installments of \$21,266, due June 2016. Secured by a Cat grader.	124,786
Lease payable to Tatonka Capital, interest at 4.8%, due in varying annual installments through July 2011. Secured by two dump trucks and other equipment.	67,962
Lease payable to Municipal Leasing Consultants, interest at 3.4%, due in annual installments of \$40,622, due May 2010. Secured by dump truck.	39,288
Lease payable to Capital One Public Funding LLC, interest at 3.87%, due in annual installments of \$65,285, due February 2010. Secured by dump truck.	62,852
	1,306,867
Accrued compensated absences	131,033
Total governmental activities long-term liabilities	\$ 1,437,900

TOWN OF BARRE, VERMONT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009
 (Continued)

NOTE 8- LONG-TERM LIABILITIES (Continued)

Business-Type Activities

Sewer Fund

State of Vermont Department of Conservation revolving loan fund - wastewater treatment facility capacity enhancement loan, due in 20 installments of \$36,250 beginning September 1, 2003, final payment due September 1, 2022, 0% interest.	<u>\$ 507,500</u>
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Water Fund

East Barre Fire District loan from the USDA Rural Development assumed by the Town when EBFD merged into the Town, interest at 4.5%, due in semi-annual installments of \$14,015 in May and November, due November 30, 2034.	422,051
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East Barre Fire District loan from the USDA Rural Development assumed by the Town when EBFD merged into the Town, interest at 4.75%, due in semi-annual installments of \$7,515 in June and December, due December 28, 2041.	247,565
Total Water Fund	<u>669,616</u>

Bus Fund

Lease payable to Tatonka Capital, interest at 4.95%, due in annual installments of \$16,246, due February 2010. Secured by bus.	18,338
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Lease payable to Tatonka Capital, interest at 4.89%, due in annual installments of \$33,622, due January 2011. Secured by bus.	92,050
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Lease payable to LaSalle National Bank, interest at 3.67%, due in annual installments of \$28,701, due December 2009. Secured by two school buses.	27,449
Total Bus Fund	<u>137,837</u>

Accrued compensated absences

	1,314,953
Total business-type activities long-term liabilities	<u>73,900</u>
	<u>\$ 1,388,853</u>

TOWN OF BARRE, VERMONT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009
 (Continued)

NOTE 9 - RESERVED FUND BALANCES

<i>Major Funds</i>	Balance July 1, 2008	Increase	Decrease	Balance June 30, 2009
General Fund				
Highway Escrow	\$ 81,665	\$ 300	\$ 1,250	\$ 80,715
Fire donations	1,701	2,445	2,450	1,696
DARE	187	1,895	1,373	709
EMS donations	110	1,170	0	1,280
Recreation	6,191	0	2,066	4,125
Police	490	0	0	490
Medical Equipment	367	0	0	367
Fire Turn-out Gear	10,390	10,000	0	20,390
Regional Fire Training Grounds	1,000	0	0	1,000
Safety Fair	212	0	0	212
Girl Scouts wildflowers	177	0	0	177
Skate park maintenance	1,552	2,021	129	3,444
Total General Fund	\$ 104,042	\$ 17,831	\$ 7,268	\$ 114,605

NOTE 10 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2009, expenditures exceeded appropriations in the General Fund by \$412,158. The excess expenditures were funded by excess revenues.

NOTE 11 - CONTINGENCY

The Town participates in a number of federally assisted and state grant programs that are subject to audits by the grantors or their representatives. The audits of these programs for or including the year ended June 30, 2009 have not yet been reviewed by the grantor agencies. Accordingly, compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

NOTE 12 - PROPERTY TAXES

The Town is responsible for assessing and collecting property taxes for both the Town and Town School District. Property taxes are assessed based on valuations as of April 1, annually. Property taxes were due in four equal installments on August 15, November 17, February 16, and May 15. All late payments are subject to a 5% penalty if paid within 30 days or more of the installment date; an additional 8% penalty if paid after 30 days, and interest is calculated at 1% per month.

TOWN OF BARRE, VERMONT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009
 (Continued)

NOTE 12 - PROPERTY TAXES (Continued)

Town property tax revenue is recognized for the period for which the tax is levied to the extent they result in current receivables, which will be collected within 60 days of the fiscal year end. The tax rates for fiscal year 2008/2009 were as follows:

	Residential	Non-residential
General Fund	\$ 0.4287	\$ 0.4287
Highway Fund	0.3980	0.3980
Local Agreement	0.0024	0.0024
State Education Tax	1.1541	1.5546
	\$ 1.9832	\$ 2.3837

NOTE 13 - PENSION PLAN

All eligible employees of the Town are enrolled for coverage by the Vermont Municipal Employees' Retirement System (VMERS) immediately upon employment. VMERS has a defined benefit plan that the Town participates in as follows:

Defined Benefit Plan

VMERS defined benefit plan (the Plan) is a cost sharing multiple-employer plan. Vermont State statutes provide the authority under which benefit provisions and the obligation to contribute are established. The Town and the employees make required contributions to the Plan based upon a valuation report prepared by the Plan's actuary.

There are four levels of contributions and benefits in the Plan called Group A, Group B, Group C and Group D. The Town participates in Group B. Employee contributions are 4.5% of gross pay for Group B and employer contributions are 5%.

Of the Town's total payroll of \$2,813,908, \$2,442,439 was covered under the Plan. The total employer contribution to the Plan was \$122,123 for fiscal year 2009, \$119,195 for fiscal year 2008 and \$116,182 for fiscal year 2007.

The State of Vermont issues an audited Financial Report that includes financial statements and required disclosures. This report may be obtained by writing the State Auditor of Accounts, 132 State Street, Montpelier, VT 05602.

NOTE 14 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The Town maintains insurance coverage from the Vermont League of Cities and Towns Property and Casualty Intermunicipal Fund that covers 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 (3) fiscal years.

TOWN OF BARRE, VERMONT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009
 (Continued)

NOTE 15 - INTERFUND TRANSFERS

During the year interfund transfers occurred between funds. The various operating transfers were made in accordance with budgetary authorizations. Interfund transfers for the year ended June 30, 2009 are as follows:

	Transfer from		Totals
	General Fund	Cemetery Trust Fund	
Transfer to Ambulance	\$ 198,926	\$ 0	\$ 198,926
Cemetery	0	12,310	12,310
Construction	8,800	0	8,800
Totals	<u>\$ 207,726</u>	<u>\$ 12,310</u>	<u>\$ 220,036</u>

NOTE 16 - COMMITMENT

The Town has entered into contracts with a number of surrounding towns to provide emergency medical services through June 30, 2010.

NOTE 17 - DEFICIT FUND BALANCES

A fund balance deficit of \$89,570 exists in the Community Development Fund. The overall deficit in the Community Development Fund reflects the cost of infrastructure development and land purchases in the Wilson Industrial Park. The Town expects to eliminate this deficit as Wilson Industrial Park property is sold.

Despite receiving \$47,553 more than what was expended in fiscal year 2009, a net asset deficit of \$416,339 exists in the Ambulance Fund due to consistently having an excess of operating expenses over revenues in previous years. Ambulance calls have averaged 3,076 over the past six years with a high of 3,416 in the fiscal year 2008 and a low of 2,714 in fiscal year 2007. Call volume has rebounded from fiscal years 2005, 2006 and 2007 when the number of calls were less than expected. If the annual number of calls remains near 3,400 and if BTEMS continues to perform approximately 250 critical care transfers each year, the Fund should meet budget expectations and the net asset deficit could slowly be reduced.

NOTE 18 - BUDGETARY COMPARISON SCHEDULES

The Town is not legally required to adopt a budget for the Community Development Fund or the Construction Fund. Therefore, a budgetary comparison is not presented for these funds.

NOTE 19 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 23, 2009, the date which the financial statements were available for issue.

In July 2009, the Town received a tax anticipation note from TD Bank for \$1,240,000 at a rate of 1.59% which is due June 30, 2010.

TOWN OF BARRE, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009
(Continued)

NOTE 19 – SUBSEQUENT EVENTS (Continued)

In September 2009, the Town received a bond anticipation note from Merchants Bank for \$350,000 at a rate of 1.49% which is due September 8, 2010.

In September 2009, the Town entered into a lease transition and service agreement with the Barre Town School District. The Town owns fifteen (15) buses, one truck and radio communication equipment which until June 30, 2009 was leased to the School. The Town does not have a loan on 10 of the buses, the truck or equipment and the title of those is to be transferred over to the School. The Town will bill the School for annual lease-finance payments for the remaining five (5) buses. When the lease obligation is paid off the Town will transfer title of those five (5) buses to the School. The final lease obligation is due October 2011. The agreement is for the fiscal year ending June 30, 2010 but is to be renewed on July 1, 2010 unless either party elects to terminate this agreement. The Town also will provide storage for the buses at a fee of \$2,000 per year. The Town will continue to service the buses at a rate of \$68 per hour.

In October 2009, the Town entered into a lease purchase agreement with California First National Bank to purchase a new truck, dump body, snowplow, wing and spreader. The agreement calls for three installments of \$53,033 starting on October 1, 2009 and then on July 15th in 2010 and 2011.

In October 2009, the Town entered into a 3 year lease purchase with Municipal Leasing Consultants for the purchase of a truck. The lease is at 3.79% interest and calls for three annual installments of \$33,344 starting January 2011.

In November 2009, the Town entered into a 40 year agreement with the City of Barre to supersede a previous old agreement regarding the water distribution systems for both the City and the Town. Under this agreement the Town shall pay an annual "readiness to serve" base charge of \$16,875 to the City. The agreement also outlines the criteria for establishing rates charged to the Town and Town residents serviced by the City water system.

TOWN OF BARRE, VERMONT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 YEAR ENDED JUNE 30, 2009

SCHEDULE 1

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
General Government			
Property Taxes			
Current	\$ 2,030,576	\$ 2,034,633	\$ 4,057
Delinquent	235,000	371,086	136,086
Interest and penalties	64,000	106,600	42,600
Payments in lieu of taxes, HS-122 refunds and other	8,645	34,834	26,189
Total property taxes	<u>2,338,221</u>	<u>2,547,153</u>	<u>208,932</u>
Licenses and Permits:			
Liquor licenses	1,050	900	(150)
Dog licenses	5,100	5,470	370
Zoning	8,000	5,236	(2,764)
Other	4,935	4,005	(930)
Total licenses and permits	<u>19,085</u>	<u>15,611</u>	<u>(3,474)</u>
Intergovernmental			
School cost sharing	30,000	0	(30,000)
Current use program	82,350	84,758	2,408
Act 60 reappraisal grant	3,600	3,587	(13)
Grants	3,000	52,189	49,189
Total intergovernmental	<u>118,950</u>	<u>140,534</u>	<u>21,584</u>
Charges for Services			
General government			
Recording fees	58,700	62,791	4,091
Vault time/copies	5,100	4,845	(255)
Certified copies	2,900	2,500	(400)
Passport application fees	6,000	5,125	(875)
Vehicle registration fees	1,300	1,188	(112)
Other	2,075	(107)	(2,182)
Total general government	<u>76,075</u>	<u>76,342</u>	<u>267</u>
Public safety			
Police	62,850	79,242	16,392
Fire	8,300	8,984	684
Total public safety	<u>71,150</u>	<u>88,226</u>	<u>17,076</u>
Sanitation			
Trash collection	2,200	4,176	1,976
Green Up	600	405	(195)
Total sanitation	<u>2,800</u>	<u>4,581</u>	<u>1,781</u>
Health			
Fines	300	0	(300)
Rabies clinic	1,400	60	(1,340)
Total health	<u>1,700</u>	<u>60</u>	<u>(1,640)</u>
Recreation			
Programs	500	500	0
Lights	1,500	2,692	1,192
Shelter rental	750	1,828	1,078
Donations	1,000	2,021	1,021
Other	25	0	(25)
Total recreation	<u>3,775</u>	<u>7,041</u>	<u>3,266</u>
Total charges for services	<u>155,500</u>	<u>176,250</u>	<u>20,750</u>

TOWN OF BARRE, VERMONT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 YEAR ENDED JUNE 30, 2009

SCHEDULE 1

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Miscellaneous Income			
Interest	17,000	24,400	7,400
Building income	22,260	18,815	(3,445)
Other	8,000	5,435	(2,565)
Total miscellaneous income	47,260	48,650	1,390
Total general government	2,679,016	2,928,198	249,182
Highway and Streets			
Taxes	2,382,055	2,382,055	0
Intergovernmental			
Highway state aid	193,830	186,400	(7,430)
Federal grant - flood	0	179,579	179,579
Total intergovernmental	193,830	365,979	172,149
Charges for services			
Street repairs	0	1,110	1,110
Permits	2,080	1,805	(275)
Other	8,500	4,921	(3,579)
Total charges for services	10,580	7,836	(2,744)
Total highways and streets	2,586,465	2,755,870	169,405
Total revenues	5,265,481	5,684,068	418,587
EXPENDITURES			
Current:			
Selectmen			
Salaries	8,000	8,000	0
Equipment	25	16	9
Supplies	6,260	6,445	(185)
Training	350	190	160
Outside services	5,435	8,290	(2,855)
Other	1,355	2,141	(786)
Total selectmen	21,425	25,082	(3,657)
Auditing			
Salaries	575	570	5
Equipment	50	89	(39)
Supplies	2,100	2,580	(480)
Training	25	0	25
Outside services	26,095	32,454	(6,359)
Total auditing	28,845	35,693	(6,848)
Town Manager			
Salaries	114,565	110,092	4,473
Equipment	8,255	8,021	234
Supplies	5,675	4,700	975
Buildings and grounds	1,440	1,494	(54)
Training	5,225	2,198	3,027
Outside services	13,360	12,069	1,291
Other	275	183	92
Total town manager	148,795	138,757	10,038

TOWN OF BARRE, VERMONT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 YEAR ENDED JUNE 30, 2009

SCHEDULE 1

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Elections			
Salaries	7,965	9,455	(1,490)
Equipment	10	0	10
Supplies	8,345	7,546	799
Outside services	300	168	132
Total elections	<u>16,620</u>	<u>17,169</u>	<u>(549)</u>
Clerk/Treasurer			
Salaries	142,295	129,351	12,944
Equipment	2,485	3,837	(1,352)
Supplies	14,535	13,727	808
Buildings and grounds	2,355	1,671	684
Training	2,685	1,973	712
Outside services	21,450	16,816	4,634
Other	50	25	25
Total clerk/treasurer	<u>185,855</u>	<u>167,400</u>	<u>18,455</u>
Data processing			
Salaries	6,685	6,783	(98)
Equipment	5,310	5,162	148
Supplies	550	204	346
Training	450	0	450
Outside services	16,685	16,968	(283)
Total data processing	<u>29,680</u>	<u>29,117</u>	<u>563</u>
Planning/Zoning/Community Development			
Salaries	64,760	79,780	(15,020)
Equipment	1,220	1,028	192
Supplies	4,170	4,215	(45)
Buildings and grounds	1,495	1,591	(96)
Training	1,310	515	795
Outside services	4,035	2,362	1,673
Other	0	800	(800)
Total planning/zoning/community development	<u>76,990</u>	<u>90,289</u>	<u>(13,301)</u>
Assessor			
Salaries	20,055	20,348	(293)
Equipment	425	38	388
Supplies	1,905	2,139	(234)
Buildings and grounds	820	948	(128)
Training	1,250	125	1,125
Outside services	50,250	50,514	(264)
Total assessor	<u>74,705</u>	<u>74,111</u>	<u>594</u>
Municipal Building			
Salaries	10,950	10,840	110
Equipment	5,095	3,623	1,472
Supplies	50	265	(215)
Buildings and grounds	45,800	39,651	6,149
Outside services	2,140	2,415	(275)
Total municipal building	<u>64,035</u>	<u>56,794</u>	<u>7,241</u>
Total administration	<u>646,950</u>	<u>634,415</u>	<u>12,535</u>

TOWN OF BARRE, VERMONT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 YEAR ENDED JUNE 30, 2009

SCHEDULE I

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Public Safety			
Police			
Salaries	507,905	484,015	23,890
Equipment	112,410	108,318	4,092
Supplies	3,445	3,670	(225)
Buildings and grounds	6,465	7,155	(690)
Training	9,420	6,234	3,186
Outside services	104,470	103,989	481
Benefits	9,165	8,978	187
Other	9,260	8,160	1,100
Total police	<u>762,540</u>	<u>730,519</u>	<u>32,021</u>
Fire			
Salaries	53,700	55,523	(1,823)
Equipment	117,225	117,756	(531)
Supplies	3,555	3,111	444
Buildings and grounds	35,980	36,786	(806)
Training	3,625	2,816	811
Outside services	44,840	45,225	(385)
Benefits	11,725	3,120	8,605
Other	3,240	2,570	670
Total fire	<u>273,890</u>	<u>266,907</u>	<u>6,983</u>
Civil Defense			
Salaries	900	900	0
Equipment	4,180	2,237	1,943
Supplies	25	266	(241)
Buildings and grounds	280	859	(579)
Training	905	369	536
Outside services	0	39,783	(39,783)
Other	500	0	500
Total civil defense	<u>6,790</u>	<u>44,414</u>	<u>(37,624)</u>
Total public safety	<u>1,043,220</u>	<u>1,041,840</u>	<u>1,380</u>
Sanitation			
Salaries	6,245	7,318	(1,073)
Equipment	5,860	11,328	(5,468)
Supplies	1,210	4,580	(3,370)
Dues	24,805	25,039	(234)
Outside services	24,400	13,047	11,353
Other	0	510	(510)
Total sanitation	<u>62,520</u>	<u>61,822</u>	<u>698</u>
Health & Welfare			
Health Officer			
Salaries	1,900	1,425	475
Training	150	0	150
Outside services	150	66	84
Total health officer	<u>2,200</u>	<u>1,491</u>	<u>709</u>
Animal Control			
Salaries	5,000	2,712	2,288
Equipment	1,200	561	639
Supplies	205	591	(388)
Training	100	75	25
Outside services	2,450	3,210	(760)
Benefits	200	117	83
Other	1,800	0	1,800
Total animal control	<u>10,955</u>	<u>7,266</u>	<u>3,689</u>

TOWN OF BARRE, VERMONT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 YEAR ENDED JUNE 30, 2009

SCHEDULE 1

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Contributions			
Central VT Home Health Hospice	15,000	15,000	0
Peoples Health & Wellness Clinic	1,000	1,000	0
Project Independence	5,500	5,500	0
Central VT Agency on Aging	5,000	5,000	0
R.S.V.P.	1,000	1,000	0
Battered Womens Shelter Services	2,000	2,000	0
Central VT Adult Basic Education	2,900	2,900	0
Family Center of Washington County	1,500	1,500	0
Central VT Community Action	1,000	1,000	0
Barre Senior Center	5,000	5,000	0
Our House of Central VT	500	500	0
Sexual Assault Crisis Team	350	352	(2)
Washington County Youth Services	500	500	0
Total contributions	<u>41,250</u>	<u>41,252</u>	<u>(2)</u>
Total health and welfare	<u>54,405</u>	<u>50,009</u>	<u>4,396</u>
Culture/Recreation/Development & Transportation			
Culture	<u>117,000</u>	<u>117,021</u>	<u>(21)</u>
Recreation			
Salaries	46,105	53,169	(7,064)
Equipment	9,000	4,667	4,333
Supplies	9,310	9,548	(238)
Buildings and grounds	8,010	12,551	(4,541)
Training	100	40	60
Outside services	15,100	19,437	(4,337)
Benefits	150	151	(1)
Other	1,300	2,365	(1,065)
Total recreation	<u>89,075</u>	<u>101,928</u>	<u>(12,853)</u>
Development	<u>38,650</u>	<u>32,306</u>	<u>6,344</u>
Transportation	<u>4,680</u>	<u>4,680</u>	<u>0</u>
Total culture/recreation/development & transportation	<u>249,405</u>	<u>255,935</u>	<u>(6,530)</u>
Insurances & benefits			
Insurance	53,295	48,595	4,700
Benefits	353,365	346,495	6,870
Total insurances & benefits	<u>406,660</u>	<u>395,090</u>	<u>11,570</u>
County tax	<u>71,745</u>	<u>71,745</u>	<u>0</u>
Other			
Equipment rental	14,040	14,040	0
Training	7,205	0	7,205
Miscellaneous	1,881	1,842	39
Total other	<u>23,126</u>	<u>15,882</u>	<u>7,244</u>
Total town administration	<u>2,558,031</u>	<u>2,526,738</u>	<u>31,293</u>

TOWN OF BARRE, VERMONT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 YEAR ENDED JUNE 30, 2009

SCHEDULE 1

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Highway and Streets			
Engineering & administration			
Salaries	114,225	119,944	(5,719)
Equipment	32,060	4,233	27,827
Supplies	1,350	1,118	232
Buildings and grounds	980	795	185
Training	1,635	1,096	539
Outside services	4,650	6,804	(2,154)
Other	1,400	529	871
Total engineering & administration	<u>156,300</u>	<u>134,519</u>	<u>21,781</u>
Summer maintenance			
Salaries	188,060	139,008	49,052
Equipment	296,965	274,049	22,916
Supplies	55,150	92,086	(36,936)
Outside services	116,900	120,229	(3,329)
Total summer maintenance	<u>657,075</u>	<u>625,372</u>	<u>31,703</u>
Winter maintenance			
Salaries	172,035	170,253	1,782
Equipment	247,045	200,793	46,252
Supplies	128,550	127,051	1,499
Buildings and grounds	1,805	1,823	(18)
Outside services	5,000	2,707	2,293
Other	100	0	100
Total winter maintenance	<u>554,535</u>	<u>502,627</u>	<u>51,908</u>
Summer construction			
Salaries	9,655	43,057	(33,402)
Equipment	21,505	81,412	(59,907)
Supplies	3,610	19,870	(16,260)
Outside services	10,000	6,184	3,816
Total summer construction	<u>44,770</u>	<u>150,523</u>	<u>(105,753)</u>
Retreatment			
Salaries	4,625	0	4,625
Equipment	9,805	0	9,805
Supplies	4,460	0	4,460
Outside services	305,040	393,526	(88,486)
Total retreatment	<u>323,930</u>	<u>393,526</u>	<u>(69,596)</u>
Employee benefits			
Salaries	56,635	68,666	(12,031)
Benefits	292,705	265,113	27,592
Total employee benefits	<u>349,340</u>	<u>333,779</u>	<u>15,561</u>
Gravel pits			
Salaries	19,755	3,783	15,972
Equipment	37,800	5,785	32,015
Supplies	1,900	1,947	(47)
Buildings and grounds	80	30	50
Training	750	750	0
Outside services	960	2,124	(1,164)
Other	1,120	1,029	91
Total gravel pits	<u>62,365</u>	<u>15,448</u>	<u>46,917</u>

TOWN OF BARRE, VERMONT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 YEAR ENDED JUNE 30, 2009

SCHEDULE 1

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Signs			
Salaries	5,050	5,370	(320)
Equipment	1,865	3,231	(1,366)
Supplies	6,600	6,543	57
Buildings and grounds	78,500	79,046	(546)
Other	50	0	50
Total signs	<u>92,065</u>	<u>94,190</u>	<u>(2,125)</u>
Total highway and streets	<u>2,240,380</u>	<u>2,249,984</u>	<u>(9,604)</u>
Interest on short-term debt	<u>0</u>	<u>39,957</u>	<u>(39,957)</u>
Debt services			
Principal payments			
Library	35,000	35,000	0
Incubator building	15,000	15,000	0
Total principal payments	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Interest payments			
Library	6,787	6,787	0
Incubator building	8,553	8,065	488
Total interest payments	<u>15,340</u>	<u>14,852</u>	<u>488</u>
Capital outlays			
Paving/culvert upgrades	337,285	709,614	(372,329)
Radios	5,250	5,146	104
Fire equipment	5,300	27,453	(22,153)
Total capital outlays	<u>347,835</u>	<u>742,213</u>	<u>(394,378)</u>
Total expenditures	<u>5,211,586</u>	<u>5,623,744</u>	<u>(412,158)</u>
EXCESS REVENUES (EXPENDITURES)	<u>53,895</u>	<u>60,324</u>	<u>6,429</u>
TRANSFERS			
Transfers out	(207,725)	(207,726)	(1)
Total transfers	<u>(207,725)</u>	<u>(207,726)</u>	<u>(1)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (153,830)</u>	<u>(147,402)</u>	<u>\$ 6,428</u>
FUND BALANCE - JULY 1, 2008		<u>1,218,515</u>	
FUND BALANCE - JUNE 30, 2009		<u>\$ 1,071,113</u>	

TOWN OF BARRE, VERMONT
 COMBINING BALANCE SHEET
 ALL NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2009

SCHEDULE 2

	Special Revenue Funds			Cemetery Trust Fund	Total other Governmental Funds
	Cemetery Fund	Recreation Fund	Reappraisal Fund		
ASSETS					
Cash	\$ 0	\$ 0	\$ 192,275	\$ 12,490	\$ 204,765
Investments	0	0	0	188,451	188,451
Prepays	463	0	0	0	463
Accounts receivable	13,173	0	0	0	13,173
Due from other funds	20,454	2,052	29,546	27,941	79,993
	<u>20,454</u>	<u>2,052</u>	<u>29,546</u>	<u>27,941</u>	<u>79,993</u>
Total assets	<u>\$ 34,090</u>	<u>\$ 2,052</u>	<u>\$ 221,821</u>	<u>\$ 228,882</u>	<u>\$ 486,845</u>
 LIABILITIES AND FUND BALANCES					
Liabilities					
Accrued wages	\$ 638	\$ 0	\$ 0	\$ 0	\$ 638
Total liabilities	<u>638</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>638</u>
 Fund Balances					
Unreserved	<u>33,452</u>	<u>2,052</u>	<u>221,821</u>	<u>228,882</u>	<u>486,207</u>
Total liabilities and fund balances	<u>\$ 34,090</u>	<u>\$ 2,052</u>	<u>\$ 221,821</u>	<u>\$ 228,882</u>	<u>\$ 486,845</u>

TOWN OF BARRE, VERMONT SCHEDULE 3
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 ALL NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2009

	Special Revenue Funds				Total other Governmental Funds
	Cemetery Fund	Recreation Fund	Reappraisal Fund	Cemetery Trust Fund	
REVENUES					
Intergovernmental	\$ 0	\$ 0	\$ 30,489	\$ 0	\$ 30,489
Charges for services	30,107	0	0	4,662	34,769
Property taxes	75,520	0	0	0	75,520
Investment income	901	0	1,174	13,766	15,841
Total revenues	<u>106,528</u>	<u>0</u>	<u>31,663</u>	<u>18,428</u>	<u>156,619</u>
EXPENDITURES					
Program expenditures					
Salaries	32,842	0	0	0	32,842
Equipment	6,278	0	0	0	6,278
Supplies	1,483	0	0	0	1,483
Buildings and grounds	3,196	0	0	0	3,196
Training	38	0	0	0	38
Outside services	248	0	0	0	248
Insurance	356	0	0	0	356
Benefits	14,059	0	0	0	14,059
Capital outlays	41,608	0	0	0	41,608
Total program expenditures	<u>100,108</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,108</u>
EXCESS REVENUES (EXPENDITURES)	<u>6,420</u>	<u>0</u>	<u>31,663</u>	<u>18,428</u>	<u>56,511</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	12,310	0	0	0	12,310
Operating transfers out	0	0	0	(12,310)	(12,310)
Total other financing sources (uses)	<u>12,310</u>	<u>0</u>	<u>0</u>	<u>(12,310)</u>	<u>0</u>
NET CHANGE IN FUND BALANCES	18,730	0	31,663	6,118	56,511
FUND BALANCES - JULY 1, 2008	<u>14,722</u>	<u>2,052</u>	<u>190,158</u>	<u>222,764</u>	<u>429,696</u>
FUND BALANCES - JUNE 30, 2009	<u>\$ 33,452</u>	<u>\$ 2,052</u>	<u>\$ 221,821</u>	<u>\$ 228,882</u>	<u>\$ 486,207</u>