

TOWN OF MILTON, VERMONT

AUDIT REPORT

JUNE 30, 2013

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AUDIT REPORT
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Independent Auditor's Report

Selectboard
Town of Milton, Vermont
43 Bombardier Road
Milton, Vermont 05468-3205

Report on the Financial Statements

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 Milton, Vermont, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Town of Milton, Vermont's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Town of Milton, Vermont's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Milton, Vermont's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 Milton, Vermont, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 11 and Schedule 1 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

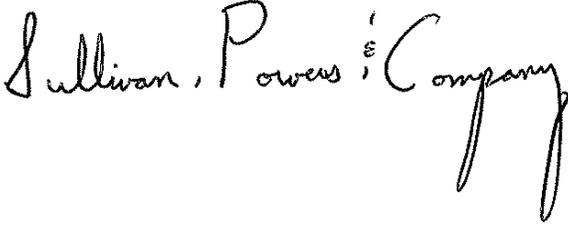
As described in Note I.F. to the financial statements, effective June 30, 2013, the Town of Milton, Vermont implemented Governmental Accounting Standards Board (GASB) Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position."

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Milton, Vermont's basic financial statements. The combining fund financial statements and budgetary comparison schedules of the Water and Sewer Funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by "Government Auditing Standards"

In accordance with "Government Auditing Standards", we have also issued our report dated January 22, 2014 on our consideration of the Town of Milton, Vermont's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" in considering the Town of Milton, Vermont's internal control over financial reporting and compliance.

January 22, 2014
Montpelier, Vermont
VT Lic. #92-000180

A handwritten signature in black ink that reads "Sullivan, Powers & Company". The signature is written in a cursive style with a large, stylized 'S' at the beginning and a long, sweeping tail at the end.

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

As management of the Town of Milton, Vermont, we offer readers of the Town's financial statements this narrative overview and analysis of its financial activities for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with the audited report.

FINANCIAL HIGHLIGHTS

- The Town's assets exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$34,755,975 (net position). Of this amount, \$2,020,844 (unrestricted net position) may be used to meet the Town's ongoing obligations. The balance of net position is made up of \$30,460,796 net investment in capital assets and \$2,274,335 restricted for specific purposes.
- The Town's total net position increased by \$774,878 (2.3%). Of this amount, net position attributable to governmental activities increased by \$400,249 (2.7%), and net position attributable to business-type activities increased by \$374,629 (1.9%).
- At the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$3,729,994, a decrease of \$20,963 over the prior year.
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$922,018, or approximately 15.5% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction of the Town of Milton's basic financial statements. The Town of Milton's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund-financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town of Milton's finances in a manner similar to a private sector business would present its financial statements. There are two statements presented at the government-wide level: the Statement of Net Position and the Statement of Activities. Within each of these statements, the governmental activities are presented separately from the business-type activities. The governmental activities reflect the Town's basic services; including general government, public safety, public works, community development, parks and recreation, health and welfare, and public improvements. Property taxes finance the majority of these services supplemented by program fees, grant revenues, and other revenues. The business-type activities reflect private-sector-type operations for which user fees recover all or a significant portion of costs. The business-type activities of the Town include both water and wastewater operations.

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
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The Statement of Net Position presents information on all of the Town of Milton's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Milton is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish functions of the Town of Milton that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Milton, like other state and local governments, use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Milton can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government wide financial statements, it is useful to compare the information presented for governmental activities in the government wide financial statements. By doing so, readers may better understand the long term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

The Town of Milton maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, the Tax Increment Financing Fund and the Capital Reserve Fund which are considered to be major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town of Milton adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with its budget.

Proprietary Funds

The Town of Milton maintains one type of proprietary fund. Enterprise Funds are used to report the same functions presented as business type activities in the government-wide financial statements. The Town of Milton uses Enterprise Funds to account for its Water fund and Sewer Fund.

Proprietary funds provide the same type of information as the government wide financial statements only in more detail. The Proprietary fund financial statements provide separate information for the Water Fund and the Sewer Fund, each of which is considered to be a major fund of the Town of Milton.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government wide financial statements because the resources of those funds are not available to support the Town of Milton's own programs. The accounting used for Fiduciary funds is much like that used for Proprietary funds.

Notes to the Financial Statement

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found immediately following the basic financial statements. In addition, to the basic financial statements and accompanying notes, this report also presents certain supplementary information to provide additional financial information not included in the basic financial statements. This supplementary information includes combining statements for various funds and budgetary comparison statement for the General Fund, the Water Fund and the Sewer Fund. The supplementary information can be found immediately following the notes to the financial statements in the report.

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

GOVERNMENT-WIDE FINANCIAL ANALYSIS

SUMMARY STATEMENT OF NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	FY 2013	FY 2012	FY 2013	FY 2012	FY 2013	FY 2012
Current and Other Assets	\$ 5,313,685	\$ 4,501,601	\$ (128,094)	\$ 335,111	\$ 5,185,591	\$ 4,836,712
Capital Assets	<u>13,358,720</u>	<u>13,247,987</u>	<u>27,511,908</u>	<u>25,883,676</u>	<u>40,870,628</u>	<u>39,131,663</u>
Total Assets	<u>18,672,405</u>	<u>17,749,588</u>	<u>27,383,814</u>	<u>26,218,787</u>	<u>46,056,219</u>	<u>43,968,375</u>
Current Liabilities	1,093,070	659,550	111,534	1,348,754	1,204,604	2,008,304
Long-Term Liabilities	<u>2,564,327</u>	<u>2,474,113</u>	<u>7,530,926</u>	<u>5,503,308</u>	<u>10,095,253</u>	<u>7,977,421</u>
Total Liabilities	<u>3,657,397</u>	<u>3,133,663</u>	<u>7,642,460</u>	<u>6,852,062</u>	<u>11,299,857</u>	<u>9,985,725</u>
Deferred Inflows of Resources	<u>387</u>	<u>1,553</u>	<u>0</u>	<u>0</u>	<u>387</u>	<u>1,553</u>
Net Position						
Net Investment in						
Capital Assets	11,047,056	10,937,622	19,413,740	20,023,161	30,460,796	30,960,783
Restricted	2,274,335	1,990,523	0	0	2,274,335	1,990,523
Unrestricted	<u>1,693,230</u>	<u>1,686,227</u>	<u>327,614</u>	<u>(656,436)</u>	<u>2,020,844</u>	<u>1,029,791</u>
Total Net Position	<u>\$ 15,014,621</u>	<u>\$ 14,614,372</u>	<u>\$ 19,741,354</u>	<u>\$ 19,366,725</u>	<u>\$ 34,755,975</u>	<u>\$ 33,981,097</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The financial reports show assets exceeded liabilities by \$34,755,975 at the close of the fiscal year ending June 30, 2013. By far, the largest portion of the Town of Milton's net assets reflects its investment in capital assets of \$30,460,796 (e.g., land buildings and infrastructure) less any related debt used to acquire those assets that is still outstanding. The Town of Milton uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the Town of Milton's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

SUMMARY STATEMENT OF ACTIVITIES

	Governmental Activities		Business-Type Activities		Total	
	FY 2013	FY 2012	FY 2013	FY 2012	FY 2013	FY 2012
REVENUES						
Charges for Service	\$ 725,332	\$ 623,376	\$ 1,315,685	\$ 1,303,989	\$ 2,041,017	\$ 1,927,365
Operating Grants and Contributions	425,249	434,562	0	0	425,249	434,562
Capital Grants and Contributions	307,063	197,851	489,885	0	796,948	197,851
Property Taxes	5,245,412	4,824,261	0	0	5,245,412	4,824,261
Penalty and Interest on Delinquent Taxes	66,180	76,231	0	0	66,180	76,231
Unrestricted Investment Earnings	9,352	13,481	54	715	9,406	14,196
General State Grants	66,441	64,904	0	0	66,441	64,904
Impact Fees	82,085	98,389	0	0	82,085	98,389
Other Revenues	24,144	60	0	0	24,144	60
Total Revenues	6,951,258	6,333,115	1,805,624	1,304,704	8,756,882	7,637,819
EXPENDITURES AND TRANSFERS						
General Government	1,139,099	1,283,096	0	0	1,139,099	1,283,096
Public Safety	2,171,963	2,103,748	0	0	2,171,963	2,103,748
Public Works	2,210,097	1,891,235	0	0	2,210,097	1,891,235
Community Development	267,858	296,000	0	0	267,858	296,000
Culture and Recreation	357,921	349,135	0	0	357,921	349,135
Health, Education and Welfare	28,088	27,199	0	0	28,088	27,199
Interest on Long-Term Debt	74,525	77,965	0	0	74,525	77,965
Water	0	0	899,271	805,215	899,271	805,215
Sewer	0	0	833,182	860,498	833,182	860,498
Total Expenditures	6,249,551	6,028,378	1,732,453	1,665,713	7,982,004	7,694,091
Transfer In/(Out)	(301,458)	(274,418)	301,458	274,418	0	0
Changes in Net Position	400,249	30,319	374,629	(86,591)	774,878	(56,272)
Net Position - Beginning of Year	14,614,372	14,584,053	19,366,725	19,453,316	33,981,097	34,037,369
Net Position - End of Year	\$ 15,014,621	\$ 14,614,372	\$ 19,741,354	\$ 19,366,725	\$ 34,755,975	\$ 33,981,097

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

Budgetary FY 2013 Highlights

The General Fund budget for FY 2013 intended to deplete \$347,500, of fund balance, however, only \$11,533 was needed to fund general fund operations. The significant factors on the revenue side that caused this condition are that the Town was short \$138,936 in property tax collections, received \$37,586 less in police fines and costs, and \$25,820 less in delinquent tax interest and fines. This was partly offset by receiving about \$11,743 more in recreation fees and about \$16,287 more in intergovernmental aid for roads. On the expense side, the significant factors that contributed to this condition are savings in regular salaries and health insurance due to short staffing that helped save \$61,899 in the Finance budget and unneeded co-insurance expenses of \$106,671. Had actual co-insurance expenses been higher or had the Finance Office been fully staffed than the need to deplete fund balance would have been greater.

Financial Analysis of Major Governmental Funds

The focus of the Town of Milton's governmental funds is to provide information on near term inflows and balances of spendable resources. Such information is useful in assessing the Town of Milton's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Town of Milton's governmental funds reported a combined ending fund balance of \$3,729,994; this is a decrease of \$20,963 in comparison to the prior year.

The General Fund ended the year with a \$1,105,011 fund balance, a \$11,533 decrease from the prior year. \$296,212 of this amount is unassigned for future spending.

The Tax Increment Financing Fund ended the year with a \$1,787,090 fund balance, a \$288,532 increase over the prior year. This fund transferred \$317,911 to other funds during the year to pay debt service costs.

The Capital Reserve Fund ended the year with a \$22,646 deficit. This was due to purchasing a tower truck whereas the funding came in fiscal year 2014.

Other notable fund balances for the year are as follows:

Impact Fee Fund - \$291,442, a decrease \$25,132 during the year.

Reappraisal Fund - \$270,594, an increase of \$24,860 during the year.

Restoration of Records Fund - \$130,685, a decrease of \$9,729 during the year.

Road/Sidewalk Restoration Reserve Fund - \$125,244 a decrease of \$26,084 during the year.

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

Financial Analysis of Proprietary Funds

The Water Fund ended the year with a \$5,217,559 net position balance, which was a \$162,959 decrease from the prior year. The net position is made up of \$5,248,015 net investment in capital assets and a \$30,456 unrestricted operating deficit which will be funded in 2014.

The Sewer Fund ended the year with a \$14,523,795 net position balance, which was a \$537,588 increase over the prior year. The net position is made up of \$14,165,725 net investment in capital assets and an unrestricted balance of \$358,078.

SUMMARY OF CAPITAL ASSETS

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	938,923	938,923	117,520	117,520	1,056,443	1,056,443
Construction in Progress	61,388	66,678	3,454,878	2,032,339	3,516,266	2,099,017
Land Improvements	130,597	130,597	0	0	130,597	130,597
Buildings and Building Improvements	4,167,199	4,159,794	0	0	4,167,199	4,159,794
Vehicles	3,707,994	3,494,700	0	0	3,707,994	3,494,700
Machinery and Equipment	1,440,694	1,505,124	338,915	327,873	1,779,609	1,832,997
Roads, Bridges and Sidewalks	10,899,338	10,168,235	0	0	10,899,338	10,168,235
Distribution and Collection Systems	0	0	28,000,801	27,490,373	28,000,801	27,490,373
Accumulated Depreciation	(7,987,413)	(7,216,064)	(4,400,206)	(4,084,429)	(12,387,619)	(11,300,493)
Total	13,358,720	13,247,987	27,511,908	25,883,676	40,870,628	39,131,663

The major capital asset activity during 2013 was as follows:

- Purchase and improvements of a used tower truck for \$450,769.
- Paving roads for \$368,962.
- Purchase and outfitting of two police vehicles for \$63,142.
- Construction of Hobbs Road sidewalk for \$319,717.
- Bombardier water line completion for \$119,145.
- Rugg Avenue/Kienke Waterline for \$318,695.
- Leak detection equipment for \$11,042.
- Village core sewer improvements for \$1,823,075.
- Wastewater rehab engineering for \$18,988.

The above projects only report current year expenses and may not be complete due to projects crossing fiscal years.

Additional information at the Town's capital assets can be found in Footnote IV. D ó Capital Assets.

Debt Administration

The Town began the year with \$8,368,472 in long-term debt outstanding. As of June 30, 2013 this amount had increased by \$1,461,360 to end the current year with \$9,829,832 in long-term debt outstanding. Long-term debt outstanding decreased in governmental activities by \$196,293 but increased in business-type activities \$1,657,653.

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

Summary of Long-Term Debt

	<u>June 30, 2012</u>		<u>Additions</u>		<u>Deletions</u>		<u>June 30, 2013</u>
Governmental Activities	\$ 2,507,957	\$	0	\$	196,293	\$	2,311,664
Business-type Activities	<u>5,860,515</u>		<u>2,514,420</u>		<u>856,767</u>		<u>7,518,168</u>
Total Government	<u>\$ 8,368,472</u>	\$	<u>2,514,420</u>	\$	<u>1,053,060</u>	\$	<u>9,829,832</u>

Factors contributing to the change include the following:

- The City's governmental activities debt decreased by making payments on its four outstanding pieces of debt.
- New debt for the business-type activities included \$2,505,705 for the Village core project, and \$8,715 for the wastewater rehab project.
- Principal payments totaling \$196,293 were made on governmental activities debt and principal payments totaling \$856,767 were made on business-type activities debt.

Additional information about long-term debt can be found in Footnote IV.H.- Long-term Liabilities.

Outlook

FY 2014 spending was approved at \$6,945,272. This is an increase of \$343,048 or 5.2%, from the FY 2013 budget. A small increase in the grandlist was estimated for FY 2014 of 0.5%, to \$10,974,251. The resulting tax levy for FY 2014 is to be \$4,820,129. This is an increase of 5% from the current tax levy of \$4,591,893. The significant budget factors that contributed to an increased budget for FY 2014 were \$106,940 in budgeting for health insurance, \$26,900 in capital expenses for replacing rolling stock, \$25,666 increase in contingency for the COPs grant match, and \$17,244 in increased fuel costs. Voters also approved also approved the creation of a capital reserve funds for FY 2014 for recreation improvements.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Manager's Office at 43 Bombardier Road, Milton VT 05468. This report is available online at www.milton.govoffice2.com.

TOWN OF MILTON, VERMONT
STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 3,938,196	\$ 53,844	\$ 3,992,040
Receivables (Net of Allowance for Uncollectibles)	567,128	387,910	955,038
Internal Balances	587,191	(587,191)	0
Prepaid Expenses	176,684	0	176,684
Inventory	44,486	17,343	61,829
Capital Assets			
Land	938,923	117,520	1,056,443
Construction in Progress	61,388	3,454,878	3,516,266
Other Capital Assets, (Net of Accumulated Depreciation)	12,358,409	23,939,510	36,297,919
Total Assets	18,672,405	27,383,814	46,056,219
<u>LIABILITIES</u>			
Accounts Payable	519,184	78,573	597,757
Accrued Payroll and Benefits Payable	161,984	12,311	174,295
Due To Others	334,124	0	334,124
Unearned Revenue	72,291	18,600	90,891
Accrued Interest Payable	5,487	2,050	7,537
Noncurrent Liabilities:			
Due within One Year	260,130	462,975	723,105
Due in More than One Year	2,304,197	7,067,951	9,372,148
Total Liabilities	3,657,397	7,642,460	11,299,857
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Prepaid Property Taxes	387	0	387
Total Deferred Inflows of Resources	387	0	387
<u>NET POSITION</u>			
Net Investment in Capital Assets	11,047,056	19,413,740	30,460,796
Restricted for:			
Tax Increment Financing Debt	1,787,090	0	1,787,090
Impact Fees	291,442	0	291,442
Restoration of Records	130,685	0	130,685
Other Purposes	65,118	0	65,118
Unrestricted	1,693,230	327,614	2,020,844
Total Net Position	\$ 15,014,621	\$ 19,741,354	\$ 34,755,975

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

TOWN OF MILTON, VERMONT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs:							
Primary Government:							
Governmental Activities:							
General Government	\$ 1,139,099	\$ 392,189	\$ 42,206	\$ 0	\$ (704,704)	\$ 0	\$ (704,704)
Public Safety	2,171,963	266,104	140,203	45,005	(1,720,651)	0	(1,720,651)
Public Works	2,210,097	3,140	241,287	262,058	(1,703,612)	0	(1,703,612)
Culture and Recreation	357,921	63,899	1,553	0	(292,469)	0	(292,469)
Community Development	267,858	0	0	0	(267,858)	0	(267,858)
Health, Education and Welfare	28,088	0	0	0	(28,088)	0	(28,088)
Interest on Long-term Debt	74,525	0	0	0	(74,525)	0	(74,525)
Total Governmental Activities	6,249,551	725,332	425,249	307,063	(4,791,907)	0	(4,791,907)
Business-Type Activities:							
Water	899,271	736,312	0	0	0	(162,959)	(162,959)
Sewer	833,182	579,373	0	489,885	0	236,076	236,076
Total Business-Type Activities	1,732,453	1,315,685	0	489,885	0	73,117	73,117
Total Primary Government	\$ 7,982,004	\$ 2,041,017	\$ 425,249	\$ 796,948	(4,791,907)	73,117	(4,718,790)
General Revenues:							
Property Taxes					5,245,412	0	5,245,412
Interest and Penalties on Delinquent Taxes					66,180	0	66,180
Unrestricted Investment Earnings					9,352	54	9,406
General State Grants					66,441	0	66,441
Impact Fees					82,085	0	82,085
Other Revenues					21,644	0	21,644
Gain on Sale of Vehicle					2,500	0	2,500
Transfers In/(Out)					(301,458)	301,458	0
Total General Revenues and Transfers In/(Out)					5,192,156	301,512	5,493,668
Change in Net Position					400,249	374,629	774,878
Net Position - July 1, 2012					14,614,372	19,366,725	33,981,097
Net Position - June 30, 2013					\$ 15,014,621	\$ 19,741,354	\$ 34,755,975

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

TOWN OF MILTON, VERMONT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

	General Fund	Tax Increment Financing Fund	Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash	\$ 1,527,106	\$ 1,293,283	\$ 189,011	\$ 928,796	\$ 3,938,196
Receivables (Net of Allowance for Uncollectibles)	550,893	0	0	16,235	567,128
Due from Other Funds	278,645	0	7,106	150,463	436,214
Advances to Other Funds	0	755,929	0	0	755,929
Prepaid Expenses	176,684	0	0	0	176,684
Total Assets	\$ 2,533,328	\$ 2,049,212	\$ 196,117	\$ 1,095,494	\$ 5,874,151
<u>LIABILITIES</u>					
Accounts Payable	\$ 499,372	\$ 0	\$ 8,234	\$ 11,578	\$ 519,184
Accrued Payroll and Benefits Payable	161,984	0	0	0	161,984
Due to Other Funds	0	262,122	0	166,901	429,023
Advances from Other Funds	0	0	175,929	0	175,929
Unearned Revenue	11,340	0	34,600	26,351	72,291
Due to Others	22,770	0	0	13,890	36,660
Tax Sale Overpayments	297,464	0	0	0	297,464
Total Liabilities	992,930	262,122	218,763	218,720	1,692,535
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Prepaid Property Taxes	387	0	0	0	387
Unavailable Revenue-Property Taxes, Penalties and Interest	405,000	0	0	0	405,000
Unavailable Revenue-Ambulance Fees	30,000	0	0	0	30,000
Unavailable Revenue-Grants	0	0	0	16,235	16,235
Total Deferred Inflows of Resources	435,387	0	0	16,235	451,622
<u>FUND BALANCES/(DEFICIT)</u>					
Nonspendable	176,684	755,929	0	4,500	937,113
Restricted	6,309	1,031,161	0	476,436	1,513,906
Committed	0	0	82,187	125,244	207,431
Assigned	625,806	0	0	270,594	896,400
Unassigned/(Deficit)	296,212	0	(104,833)	(16,235)	175,144
Total Fund Balances/(Deficit)	1,105,011	1,787,090	(22,646)	860,539	3,729,994
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,533,328	\$ 2,049,212	\$ 196,117	\$ 1,095,494	
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 in the Funds.					13,358,720
Inventories are Reported in Governmental Activities Only.					44,486
Other Assets are not Available to Pay for Current-Period Expenditures, and, Therefore, are Deferred in the Funds.					451,235
Long-Term and Accrued Liabilities are not Due or Payable in the Current Period and, Therefore, are Not Reported in the Funds.					(2,569,814)
Net Assets of Governmental Activities					\$ 15,014,621

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

TOWN OF MILTON, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	General Fund	Tax Increment Financing Fund	Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property Taxes	\$ 4,484,957	\$ 609,761	\$ 82,187	\$ 54,791	\$ 5,231,696
Penalties and Interest	66,180	0	0	0	66,180
Intergovernmental Revenues	313,300	0	202,374	123,400	639,074
Charges for Services	904,098	0	0	132,953	1,037,051
Investment Income	2,130	5,744	281	1,197	9,352
Licenses and Permits	42,497	0	0	0	42,497
Other Revenue	21,449	0	20,815	0	42,264
Donations	1,755	0	21,600	1,553	24,908
Total Revenues	5,836,366	615,505	327,257	313,894	7,093,022
Expenditures:					
Current:					
General Government	1,310,829	9,062	19,113	74,325	1,413,329
Public Safety	1,954,310	0	1,067	5,855	1,961,232
Highways and Streets	1,249,422	0	11,331	6,997	1,267,750
Culture and Recreation	331,159	0	0	2,639	333,798
Health, Education and Welfare	28,088	0	0	0	28,088
Economic	267,858	0	0	0	267,858
Capital Outlay:					
General Government	1,605	0	36,235	0	37,840
Public Safety	0	0	513,911	14,372	528,283
Highways and Streets	5,000	0	319,717	368,962	693,679
Culture and Recreation	0	0	6,122	5,800	11,922
Debt Service:					
Principal	196,293	0	0	0	196,293
Interest	74,955	0	0	0	74,955
Total Expenditures	5,419,519	9,062	907,496	478,950	6,815,027
Excess/(Deficiency) of Revenues Over Expenditures	416,847	606,443	(580,239)	(165,056)	277,995
Other Financing Sources/(Uses):					
Sale of Vehicle	0	0	2,500	0	2,500
Transfers In	83,659	0	332,810	257,000	673,469
Transfers Out	(512,039)	(317,911)	(20,000)	(124,977)	(974,927)
Total Other Financing Sources/(Uses)	(428,380)	(317,911)	315,310	132,023	(298,958)
Net Change in Fund Balances	(11,533)	288,532	(264,929)	(33,033)	(20,963)
Fund Balances - July 1, 2012	1,116,544	1,498,558	242,283	893,572	3,750,957
Fund Balances/(Deficit) - June 30, 2013	\$ 1,105,011	\$ 1,787,090	\$ (22,646)	\$ 860,539	\$ 3,729,994

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

TOWN OF MILTON, VERMONT
 RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES OF
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2013

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

Net change in fund balances - total government funds (Exhibit D)	\$	(20,963)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets (\$1,271,724) is allocated over their estimated useful lives and reported as depreciation expense (\$1,205,996). This is the amount by which capital outlays exceeded depreciation in the current period.		65,728
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, loss on disposal of assets, capital grants and donations) is to increase net position.		45,005
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This amount reflects the increase of deferred revenues over last year.		127,235
The issuance of long-term debt (\$0) (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt (\$196,293) consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		196,293
Inventories are not reported in governmental funds, however recording inventory in the Governmental Activities increases net position. This amount reflects the increase in the balance of inventory over last year.		12,286
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount reflects the decrease in the balances of these expenditures over last year.		<u>(25,335)</u>
Change in net position of governmental activities (Exhibit B)	\$	<u><u>400,249</u></u>

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

TOWN OF MILTON, VERMONT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013

	Water Fund	Sewer Fund	Total
<u>ASSETS</u>			
Current Assets:			
Cash	\$ 0	\$ 53,844	\$ 53,844
Receivables (Net of Allowance for Uncollectible Accounts)	234,448	153,462	387,910
Due from Other Funds	0	193,882	193,882
Inventory	2,075	15,268	17,343
Total Current Assets	236,523	416,456	652,979
Noncurrent Assets:			
Capital Assets			
Land	39,400	78,120	117,520
Construction in Progress	0	3,454,878	3,454,878
Vehicles, Machinery and Equipment	123,830	215,085	338,915
Buildings, Distribution and Collection System and Improvements	7,848,338	20,152,463	28,000,801
Less Accumulated Depreciation	(1,862,186)	(2,538,020)	(4,400,206)
Total Noncurrent Assets	6,149,382	21,362,526	27,511,908
Total Assets	\$ 6,385,905	\$ 21,778,982	\$ 28,164,887
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	\$ 32,825	\$ 45,748	\$ 78,573
Accrued Payroll	6,052	6,259	12,311
Due to Other Funds	201,073	0	201,073
Unearned Revenue	18,600	0	18,600
Accrued Interest Payable	2,050	0	2,050
Advances from Other Funds	24,714	0	24,714
Bonds Payable - Current Portion	43,697	419,278	462,975
Total Current Liabilities	329,011	471,285	800,296
Noncurrent Liabilities			
Compensated Absences Payable	6,379	6,379	12,758
Advances from Other Funds	555,286	0	555,286
Bonds Payable - Noncurrent Portion	277,670	6,777,523	7,055,193
Total Noncurrent Liabilities	839,335	6,783,902	7,623,237
Total Liabilities	1,168,346	7,255,187	8,423,533
<u>NET POSITION</u>			
Net Investment in Capital Assets	5,248,015	14,165,725	19,413,740
Unrestricted/(Deficit)	(30,456)	358,070	327,614
Total Net Position	5,217,559	14,523,795	19,741,354
Total Liabilities and Net Position	\$ 6,385,905	\$ 21,778,982	\$ 28,164,887

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

TOWN OF MILTON, VERMONT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Water Fund	Sewer Fund	Total
Operating Revenues:			
Charges for Services	\$ 664,247	\$ 516,137	\$ 1,180,384
Hookup Fees	55,310	53,554	108,864
Penalties & Interest	10,204	5,582	15,786
Other Income	6,551	4,100	10,651
	<u>736,312</u>	<u>579,373</u>	<u>1,315,685</u>
Total Operating Revenues			
Operating Expenses:			
CWD Water Purchases	336,623	0	336,623
Salaries and Benefits	174,562	177,617	352,179
Administrative Fees	158,222	158,282	316,504
Utilities	18,664	119,161	137,825
Water Meters	10,389	6,926	17,315
Supplies	14,245	64,412	78,657
Printing and Advertising	2,031	130	2,161
Insurances	3,595	11,986	15,581
Technology	1,072	980	2,052
Machinery and Equipment	11,551	1,031	12,582
Telephone and Internet	1,026	2,834	3,860
Professional Development	1,704	1,062	2,766
Miscellaneous Expenses	2,057	418	2,475
Dues and Fees	1,254	1,345	2,599
Employee Uniforms	869	869	1,738
Repairs and Maintenance	3,521	16,892	20,413
Small Tools	63	0	63
Depreciation	100,628	215,149	315,777
Rentals	404	100	504
Construction Services	3,767	72	3,839
Capital Projects	25,221	0	25,221
Vehicles	1,803	1,804	3,607
Technical Services	0	52,112	52,112
	<u>873,271</u>	<u>833,182</u>	<u>1,706,453</u>
Total Operating Expenses			
Operating Income/(Loss)	<u>(136,959)</u>	<u>(253,809)</u>	<u>(390,768)</u>
Nonoperating Revenues (Expenses):			
Investment Income	0	54	54
Interest Expense	(26,000)	0	(26,000)
	<u>(26,000)</u>	<u>54</u>	<u>(25,946)</u>
Total Nonoperating Revenues (Expenses)			
Net Income/(Loss) Before Capital Contributions and Transfers In	(162,959)	(253,755)	(416,714)
Capital Contributions	0	489,885	489,885
Transfers In	0	301,458	301,458
Change in Net Position	(162,959)	537,588	374,629
Net Position - July 1, 2012	<u>5,380,518</u>	<u>13,986,207</u>	<u>19,366,725</u>
Net Position - June 30, 2013	<u>\$ 5,217,559</u>	<u>\$ 14,523,795</u>	<u>\$ 19,741,354</u>

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

TOWN OF MILTON, VERMONT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Water Fund	Sewer Fund	Total
Cash Flows From Operating Activities:			
Receipts from Customers and Users	\$ 772,680	\$ 579,550	\$ 1,352,230
Payments to Suppliers	(591,894)	(448,118)	(1,040,012)
Payments for Wages and Benefits	(172,065)	(174,871)	(346,936)
Other Receipts	6,551	4,100	10,651
Net Cash Provided/(Used) by Operating Activities	<u>15,272</u>	<u>(39,339)</u>	<u>(24,067)</u>
Cash Flows From Noncapital Financing Activities:			
(Decrease)/Increase in Due to Other Funds	(211,878)	0	(211,878)
Decrease/(Increase) in Due from Other Funds	0	29,429	29,429
Transfers from Other Funds	0	301,458	301,458
Net Cash Provided/(Used) by Noncapital Financing Activities	<u>(211,878)</u>	<u>330,887</u>	<u>119,009</u>
Cash Flows From Capital and Related Financing Activities:			
Acquisition and Construction of Capital Assets	(291,577)	(2,504,509)	(2,796,086)
Advances from Other Funds	580,000	0	580,000
Proceeds of Long-Term Debt	0	2,514,420	2,514,420
Principal Paid on:			
General Obligation Bonds	(65,423)	(301,459)	(366,882)
Interest Paid on:			
General Obligation Bonds	(26,394)	0	(26,394)
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>196,606</u>	<u>(291,548)</u>	<u>(94,942)</u>
Cash Flows From Investing Activities:			
Receipt of Interest & Dividends	0	54	54
Net Cash Provided by Investing Activities	<u>0</u>	<u>54</u>	<u>54</u>
Net Increase in Cash	0	54	54
Cash - July 1, 2012	0	53,790	53,790
Cash - June 30, 2013	<u>\$ 0</u>	<u>\$ 53,844</u>	<u>\$ 53,844</u>
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Operating Income/(Loss)	(136,959)	(253,809)	(390,768)
Depreciation	100,628	215,149	315,777
(Increase)/Decrease in Receivables	42,919	22,772	65,691
(Increase)/Decrease in Inventory	0	17	17
Increase/(Decrease) in Accounts Payable	6,187	(7,719)	(1,532)
Increase/(Decrease) in Accrued Payroll	955	1,204	2,159
Increase/(Decrease) in Unearned Revenue	0	(18,495)	(18,495)
Increase/(Decrease) in Compensated Absences	1,542	1,542	3,084
Net Cash Provided/(Used) by Operating Activities	<u>\$ 15,272</u>	<u>\$ (39,339)</u>	<u>\$ (24,067)</u>

Non-Cash/Supplemental Information:

\$189,631 of capital asset purchases for the Water Fund are included in accounts payable at June 30, 2012

\$662,446 of capital asset purchases for the Sewer fund are included in accounts payable at June 30, 2012

\$489,885 of debt in the Sewer Fund was paid off with a state grant subsidy.

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

TOWN OF MILTON, VERMONT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2013

	Private Purpose Trust Fund
	Henry Beeman Trust Fund
<u>ASSETS</u>	
Cash	\$ <u>248</u>
Total Assets	<u>248</u>
<u>LIABILITIES</u>	
Total Liabilities	<u>0</u>
<u>NET POSITION</u>	
Held in Trust for:	
Individuals and Organizations	<u>248</u>
Total Net Position	<u><u>\$ 248</u></u>

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

TOWN OF MILTON, VERMONT
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FOR THE YEAR ENDING JUNE 30, 2013

	Private Purpose Trust Fund
	Henry Beeman Trust Fund
Revenues:	
Investment Income	\$ <u>0</u>
Total Revenues	<u>0</u>
Expenditures:	
Miscellaneous	<u>242</u>
Total Expenditures	<u>242</u>
Change in Net Position	(242)
Net Position - July 1, 2012	<u>490</u>
Net Position - June 30, 2013	\$ <u><u>248</u></u>

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

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

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

The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the Town of Milton.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Milton (the "Town") conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The following is a summary of the more significant accounting policies employed in the preparation of these financial statements.

A. The Financial Reporting Entity

This report includes all of the funds of the Town of Milton, Vermont. The reporting entity consists of the primary government; organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. Based on these criteria, there are no other entities that should be combined with the financial statements of the Town.

B. Basis of Presentation

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

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

The basic financial statements of the Town include both government-wide statements and fund financial statements. The focus of the government-wide statements is on reporting the operating results and financial position of the Town as a whole and present a longer-term view of the Town's finances. The focus of the fund financial statements is on reporting on the operating results and financial position of the most significant funds of the Town and present a shorter-term view of how operations were financed and what remains available for future spending.

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

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

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

The Town reports on the following major governmental funds:

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

Tax Increment Financing Fund ó This fund accounts for taxes collected within the tax increment financing district.

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

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

The Town reports on the following major enterprise funds:

Water Fund ó This fund accounts for the operations of the Water Department of the Town.

Sewer Fund ó This fund accounts for the operations of the Wastewater Department of the Town.

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

Additionally, the Town reports on the following fund type:

Private Purpose Trust Fund ó This fund is used to report a trust arrangement under which resources are to be used for the benefit of individuals. All investment earnings and, in some cases, the principal of the fund can be spent.

C. Measurement Focus

The accounting and financial reporting treatment 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 position). Equity (i.e., net total position) is segregated into net investment in capital assets; restricted net position; and unrestricted net position. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

Governmental fund financial statements are reported using the current financial resources measurement focus. This means that only current assets and current liabilities are generally reported on their balance sheets. Their reported fund balances (net current assets) are considered a measure of available spendable resources, and are segregated into nonspendable; restricted; committed; assigned and unassigned amounts. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

D. Basis of Accounting

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

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

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

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

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

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

E. Use of Estimates

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

TOWN OF MILTON, VERMONT
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F. New Pronouncement – Deferred Outflows/Inflows of Resources

Effective June 30, 2013, the Town implemented GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". GASB Statement No 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources, introduced and defined in GASB Concepts Statement No. 4. This statement amends the net asset reporting requirements in Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments", and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, "deferred outflows of resources", represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. The Town did not have any items that qualified for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, "deferred inflows of resources", represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has four (4) types of items which arise under the modified accrual basis of accounting and one type which arises under the accrual basis of accounting that qualify for reporting in this category. Accordingly, the item, "unavailable revenue", is reported in the statement of net position and governmental funds balance sheet. The statement of net position reports unavailable revenues from one (1) source; prepaid property taxes. The governmental funds balance sheet reports unavailable revenues from four (4) sources; prepaid property taxes, unavailable property taxes, unavailable ambulance fees and unavailable grants receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

G. Assets, Liabilities and Equity

1. Cash

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

TOWN OF MILTON, VERMONT
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2. Investments

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

3. Receivables

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

4. Internal Balances

Activity between funds that are representative of lending/borrowing arrangements that are outstanding at the end of the fiscal year are referred to as "Advances to/from Other Funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". Cash balances deposited and invested by the Treasurer in a combined cash account are reported as "Due To/From Other Funds".

5. Inventories and Prepaid Expenses

Inventory quantities are determined by a physical count and are valued at the lower of cost or market. Inventories in the Governmental Activities consist of materials and inventories in the Proprietary Funds consists of chemicals and materials.

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

Inventories and prepaid expenses of governmental funds in the fund financial statements are offset by a nonspendable fund balance as they are not in spendable form.

6. Capital Assets

Capital assets are reported at actual cost or estimated historical cost based on appraisals or deflated current replacement cost if purchased or constructed. Contributed assets are recorded at their estimated fair value at the time received. Major outlays for capital assets and improvements are capitalized as constructed. Interest incurred during the construction phase for proprietary fund capital assets is reflected in the capitalized value of the asset constructed, net of any interest earned on the invested proceeds during the same period. Interest is not capitalized during the construction phase of capital assets used in governmental activities. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. Infrastructure assets are reported starting with fiscal year June 30, 2004. The Town has elected to not report major general infrastructure assets retroactively. The Town has not capitalized any interest costs.

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

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

	<u>Capitalization Threshold</u>	<u>Estimated Service Life</u>
Land	\$ 1,000	Not Depreciated
Land Improvements	5,000	25-50 Years
Buildings and Building Improvements	5,000	40-75 Years
Vehicles	5,000	4-15 Years
Machinery, Equipment and Furniture	1,000	8-20 Years
Roads, Bridges, and Sidewalks	5,000	30-75 Years
Water and Wastewater Distribution and and Collection Systems	5,000	30 - 100 Years

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

7. Compensated Absences

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

8. Long-term Liabilities

Long-term liabilities include bonds and notes payable and other obligations such as compensated absences. Long-term liabilities are reported in the government-wide and proprietary fund financial statements. Governmental fund financial statements do not include any long-term liabilities as those funds use the current financial resources measurement focus and only include current assets and liabilities on their balance sheets.

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

9. Fund Equity

Fund Balances and Retained Earnings are classified based upon any restrictions that have been placed on those balances or any tentative plans management may have made for those balances. Restrictions of Net Position in the Governmental and Proprietary Fund type financial statements represent amounts that cannot be appropriated or are legally restricted for a specific purpose by a contract or other binding agreement.

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

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

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

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

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

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

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The General Fund budget is approved at the annual Town Meeting in March. The Town allows the Selectboard to approve adjustments from one line item to another within each fund, however, increases in total appropriations are not allowed without voter approval.

TOWN OF MILTON, VERMONT
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B. Budgeted Deficit

The Town budgeted a current year's deficiency in the General Fund, Water Fund and Sewer Fund of \$347,500, \$32,422 and \$11,600, respectively, in order to utilize a portion of the previous year's surpluses. These are reflected as a budgeted deficiency of revenues over expenditures in Schedule 1, Schedule 4 and Schedule 5.

IV. DETAILED NOTES ON ALL FUNDS

A. Cash

The Town's cash as of June 30, 2013 consisted of the following:

Cash:

Cash on Hand	\$ 360
Cash with Financial Institutions	<u>3,991,928</u>
Total Cash	<u>\$3,992,288</u>

Custodial Credit Risk

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

	<u>Book Balance</u>	<u>Bank Balance</u>
FDIC Insured	\$ 358,827	\$ 342,382
Uninsured, Collateralized by U.S. Government Securities, Federal Agency Issued Mortgage Backed Securities and/or General Obligation Vermont Municipal Notes and Bonds Held by the Bank's Trust Department with a Security Interest Granted to the Town	<u>3,633,101</u>	<u>3,632,920</u>
Total Cash Deposits	<u>\$ 3,991,928</u>	<u>\$ 3,975,302</u>

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

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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B. Receivables

Receivables at June 30, 2013, as reported in the statement of net assets, net of applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-Type Activities	Total
Delinquent Taxes	\$ 455,972	\$ 0	\$ 455,972
Penalties and Interest	44,274	3,090	47,364
Ambulance Receivables	91,673	0	91,673
Accounts Receivable	4,518	342,220	346,738
Grants Receivable	16,456	0	16,456
Unbilled Receivables	16,235	46,000	62,235
Allowance for Doubtful Accounts	<u>(62,000)</u>	<u>(3,400)</u>	<u>(65,400)</u>
 Total	 <u>\$ 567,128</u>	 <u>\$ 387,910</u>	 <u>\$ 955,038</u>

C. Loans Receivable

Loans Receivable at June 30, 2013 consists of the following:

Loan Receivable, Meadow Lane Housing Associates, LP, 0% Interest, Due June 1, 2035, Secured by Real Estate	\$ <u>296,000</u>
Total	296,000
Less: Allowance for Doubtful Loans Receivable	<u>(296,000)</u>
Reported Value at June 30, 2013	\$ <u>0</u>

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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D. Capital Assets

Capital asset activity for the year ended June 30, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 938,923	\$ 0	\$ 0	\$ 938,923
Construction in Progress	<u>66,678</u>	<u>356,852</u>	<u>362,142</u>	<u>61,388</u>
Total Capital Assets, Not Being Depreciated	<u>1,005,601</u>	<u>356,852</u>	<u>362,142</u>	<u>1,000,311</u>
Capital Assets, Being Depreciated:				
Land Improvements	130,597	0	0	130,597
Buildings and Building Improvements	4,159,794	7,405	0	4,167,199
Vehicles	3,494,700	565,034	351,740	3,707,994
Machinery and Equipment	1,505,124	18,477	82,907	1,440,694
Roads, Bridges and Sidewalks	<u>10,168,235</u>	<u>731,103</u>	<u>0</u>	<u>10,899,338</u>
Totals	<u>19,458,450</u>	<u>1,322,019</u>	<u>434,647</u>	<u>20,345,822</u>
Less Accumulated Depreciation for:				
Land Improvements	74,655	4,353	0	79,008
Buildings and Building Improvements	690,242	66,842	0	757,084
Vehicles	2,604,666	264,659	351,740	2,517,585
Machinery and Equipment	1,268,681	61,667	82,907	1,247,441
Roads, Bridges and Sidewalks	<u>2,577,820</u>	<u>808,475</u>	<u>0</u>	<u>3,386,295</u>
Totals	<u>7,216,064</u>	<u>1,205,996</u>	<u>434,647</u>	<u>7,987,413</u>
Total Capital Assets, Being Depreciated	<u>12,242,386</u>	<u>116,023</u>	<u>0</u>	<u>12,358,409</u>
Governmental Activities Capital Assets, Net	<u>\$ 13,247,987</u>	<u>\$ 472,875</u>	<u>\$ 362,142</u>	<u>\$ 13,358,720</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 117,520	\$ 0	\$ 0	\$ 117,520
Construction in Progress	<u>2,032,339</u>	<u>1,932,967</u>	<u>510,428</u>	<u>3,454,878</u>
Total Capital Assets, Not Being Depreciated	<u>2,149,859</u>	<u>1,932,967</u>	<u>510,428</u>	<u>3,572,398</u>
Capital Assets, Being Depreciated:				
Vehicles, Machinery, Equipment and Furniture	327,873	11,042	0	338,915
Distribution and Collection Systems	<u>27,490,373</u>	<u>510,428</u>	<u>0</u>	<u>28,000,801</u>
Totals	<u>27,818,246</u>	<u>521,470</u>	<u>0</u>	<u>28,339,716</u>
Less Accumulated Depreciation for:				
Vehicles, Machinery, Equipment and Furniture	224,009	22,278	0	246,287
Distribution and Collection Systems	<u>3,860,420</u>	<u>293,499</u>	<u>0</u>	<u>4,153,919</u>
Totals	<u>4,084,429</u>	<u>315,777</u>	<u>0</u>	<u>4,400,206</u>
Total Capital Assets, Being Depreciated	<u>23,733,817</u>	<u>205,693</u>	<u>0</u>	<u>23,939,510</u>
Business-Type Activities Capital Assets, Net	<u>\$ 25,883,676</u>	<u>\$ 2,138,660</u>	<u>\$ 510,428</u>	<u>\$ 27,511,908</u>

TOWN OF MILTON, VERMONT
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Depreciation was charged as follows:

Governmental Activities:		Business - Type Activities:			
General Government	\$	63,142	Water	\$	100,628
Public Safety		218,797	Sewer		<u>215,149</u>
Highways and Streets		899,934			
Culture and Recreation		<u>24,123</u>			
Total Depreciation Expense - Governmental Activities		\$ <u>1,205,996</u>	Total Depreciation Expense - Business- Type Activities		\$ <u>315,777</u>

E. Interfund Balances and Activity

The composition of interfund balances at June 30, 2013 is as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 278,645	\$ 0
Tax Increment Financing Fund	0	262,122
Capital Reserve Fund	7,106	0
Other Governmental Funds	150,463	166,901
Water Fund	0	201,073
Sewer Fund	<u>193,882</u>	<u>0</u>
 Total	 \$ <u><u>630,096</u></u>	 \$ <u><u>630,096</u></u>

The composition of Advances To/From Other Funds at June 30, 2013 is as follows:

	<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>
Tax Increment Financing Fund	\$ 755,929	\$ 0
Capital Reserve Fund	0	175,929
Water Fund	<u>0</u>	<u>580,000</u>
 Total	 \$ <u><u>755,929</u></u>	 \$ <u><u>755,929</u></u>

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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The Advances To/From Other Funds will be repaid as follows:

Advance to Capital Reserve Fund for an Ambulance Purchase, Interest at 1.65%, Annual Principal and Interest Payments of \$36,751, Due 2017	\$141,517
Advance to Capital Reserve Fund for a Municipal Truck Purchase, Initial Loan was \$111,213, Interest at 1.65%, Annual Principal and Interest Payments of \$37,991, Due 2014	34,412
Advance to Water Fund for Capital Improvements, Initial Loan was \$580,000, Interest at 1.65%, Annual Principal and Interest Payments of \$34,284, Due August 21, 2016 at which time the Note will be Refinanced with a Financial Institution	<u>580,000</u>
Total Advances to/from Other Funds	<u>\$755,929</u>

Interfund transfers during the year ended June 30, 2013 were as follows:

Transfer From	Transfer To	Amount	Purpose
	Road/Sidewalk Restoration		
General Fund	Reserve Fund	\$ 257,000	Annual Subsidy
General Fund	Capital Reserve Fund	182,400	Annual Subsidy
General Fund	Capital Reserve Fund	72,639	Fund Interfund Loan
Tax Increment Financing Fund	General Fund	16,453	Fund Debt Service
Tax Increment Financing Fund	Sewer Fund	301,458	Fund Debt Service
Capital Reserve Fund	General Fund	20,000	Fund Debt Service from unspent Proceeds
Impact Fees Fund	Capital Reserve Fund	77,771	Fund Project Costs
Impact Fees Fund	General Fund	30,000	Fund Debt Service
Restoration of Records Fund	General Fund	<u>17,206</u>	Fund Restoration Expenses
Total		<u>\$ 974,927</u>	

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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F. Unearned Revenue

Unearned Revenue in the General Fund consists of \$10,907 of recreation fees collected in advance and \$433 of Grant Revenue received in advance. The revenue will be recognized as recreation programs are conducted and grant expenses are incurred. Total Unearned Revenue in the General Fund is \$11,340.

Unearned Revenue in the Capital Reserve Fund consists of \$34,600 of monies advanced to the Town to assist in various projects. This money will be earned when the projects are completed.

Unearned Revenue in the Other Governmental Funds consists of \$26,351 of grant revenue received in advance. This money will be earned when the grant expenditures are incurred. Total Unearned Revenue in the Other Governmental Funds is \$26,351.

Unearned Revenue in the Water Fund of \$18,600 represents hook-on fees received in advance. This revenue will be earned as customers hook onto the system.

G. Deferred Inflows of Resources

Deferred inflows of resources in the General Fund consists of \$405,000 of delinquent property taxes, penalties and interest on those taxes and \$30,000 of ambulance receivables that were not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities. Also included is \$387 of property taxes received in advance. Total Deferred Inflows of Resources in the General Fund is \$435,387.

Deferred inflows of resources in the Grant Fund consists of \$16,235 of grant receivables not collected within sixty (60) days after year end as these would not be available to liquidate current liabilities. Total Deferred Inflows of Resources in the Grant Fund is \$16,235.

H. Long-term Liabilities

General Obligation Bonds - The Town issues general obligation bonds to provide resources for the acquisition and construction of major capital facilities and to refund prior issues. General obligation bonds have been issued for both general governmental and proprietary activities. Bonds are reported in governmental activities if the debt is expected to be repaid from general governmental revenues and in business-type activities if the debt is expected to be repaid from proprietary fund revenues.

General obligation bonds are direct obligations and pledge the full faith and credit of the Town. New bonds generally are issued as 10 to 20 year bonds.

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

Compensated Absences - It is the policy of the Town of Milton to permit employees to accumulate earned but unused vacation benefits up to one hundred and sixty (160) hours unless more hours approved by the Town Manager. No liability is reported for unpaid accumulated sick leave because it is not a vested benefit. Compensated Absences are paid by the applicable fund where the employee is charged.

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Landfill Post Closure Liability - State and Federal laws and regulations required the Town to close its landfill in 1991. These laws and regulations required the Town to perform certain maintenance and monitoring at the site through May 2013. After further testing, the State has mandated the Town continue to perform maintenance and monitoring. The Town has estimated that they will continue for another ten (10) years. The Town's estimated liability is \$85,000. This amount is based on what it would cost to perform all post closure care now.

Actual costs may vary due to changes in the cost of living, changes in technology, changes in regulations or variances between estimated and actual amounts.

Severance Payments - During 2011, the Town agreed to offer an early retirement incentive package to eligible employees. A total of 5 employees took advantage of the offer. The total amount of severance payments was \$174,448. Each employee will receive 36 monthly payments. The balances due are as follows:

2014 \$56,610

\$56,610

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
General Obligation Bonds Payable	\$ 2,507,957	\$ 0	\$ 196,293	\$ 2,311,664	\$ 196,520
Compensated Absences	105,840	5,213	0	111,053	0
Severance Payable	114,758	0	58,148	56,610	56,610
Landfill Post-Closure	6,300	85,635	6,935	85,000	7,000
 Total Governmental Activities Long-Term Liabilities	 \$ 2,734,855	 \$ 90,848	 \$ 261,376	 \$ 2,564,327	 \$ 260,130
 Business-type Activities					
General Obligation Bonds Payable	\$ 5,860,515	\$ 2,514,420	\$ 856,767	\$ 7,518,168	\$ 462,975
Compensated Absences	9,674	3,084	0	12,758	0
 Total Business-type Activities Long-Term Liabilities	 \$ 5,870,189	 \$ 2,517,504	 \$ 856,767	 \$ 7,530,926	 \$ 462,975

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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Long-term liabilities outstanding as of June 30, 2013 were as follows:

Bonds and Notes Payable:

Governmental Activities:

	<u>Beginning Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2013</u>
Bond Payable ó Vermont Municipal Bond Bank, Municipal Building, Landfill Closure and Fire Truck, \$60,000 Principal Due Annually 2007 through 2015, then \$40,000 Annually through 2016, 5.32% Interest, Payable Semi-Annually on June 1 and December 1, Due December 1, 2015	\$ 220,000	\$ 0	\$ 60,000	\$ 160,000
Bond Payable ó State of Vermont Special Environmental Revolving Loan Fund, Storm Water Collection System on Main Street, Total Loan Amount Available was \$500,000 with a \$230,970 ARRA Subsidy, Term of Loan is Twenty (20) Years, Annual Payments of \$16,453, 0% Interest and a 2% Administrative Fee, Due June 1, 2031	257,957	0	11,293	246,664
Bond Payable ó Vermont Municipal Bond Bank, Recovery Zone Economic Development Bond, Library Expenses and West Milton Road Construction, \$85,000 Principal Due Annually from 2011 Through 2020, then \$80,000 Annually through 2030, Various Interest Rates Ranging from .777% to 3.564%, Payable Semi- Annually on June 1 and December 1, Due December 1, 2030	1,565,000	0	85,000	1,480,000

TOWN OF MILTON, VERMONT
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Bond Payable ó Vermont Municipal Bond Bank, Fire Station, \$40,000 Principal Due Annually through 2023, Various Interest Rates Ranging from .804% to 3.844% Payable Semi-Annually on May 15 and November 15, Due December 1, 2012	\$ <u>465,000</u>	\$ <u>0</u>	\$ <u>40,000</u>	\$ <u>425,000</u>
Total Governmental Activities	\$ <u>2,507,957</u>	\$ <u>0</u>	\$ <u>196,293</u>	\$ <u>2,311,664</u>

Business-Type Activities

Bond Payable ó Vermont Municipal Bond Bank, Water Improvements, \$25,000 Due Annually on December 1 through 2012, 6.19% Interest Payable Semi-Annually on June 1 and December 1, Due and Paid December 1, 2012	\$ 25,000	\$ 0	\$ 25,000	\$ 0
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Bond Payable ó Vermont Municipal Bond Bank, Water Improvements, Annual Principal Payments Ranging From \$12,511 to \$64,503 on December 1 through 2018, 7.62%, Interest Payable Semi-Annually on June 1 and December 1, Due December 1, 2018	361,790	0	40,423	321,367
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Bond Payable ó State of Vermont Special Environmental Revolving Loan Fund, Sewer Upgrade, 0% Interest, Annual Payments of \$43,250 through October, 2020, Due October 1, 2020	389,250	0	43,250	346,000
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Bond Payable ó State of Vermont Special Environmental Revolving Loan Fund for Sewer Upgrade, 0% Interest, Annual Payments of \$258,208 through April 1, 2028, Due April 1, 2028	4,389,542	0	258,209	4,131,333
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TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

	Beginning Balance <u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>June 30, 2013</u>
Bond Payable ó State of Vermont Special Environmental Revolving Loan Fund, Village Core Sewer Improvements, 0% Interest and a 2% Administrative Fee, Authorized Borrowing up to \$3,352,600 However the Bond Amount is \$3,092,000 With a 15% (\$489,885) Grant Subsidy, \$175,074 Due Annually Beginning on April 1, 2014 through 2033	\$ 694,933	\$2,505,705	\$ 489,885	\$2,710,753
Bond Payable ó State of Vermont Special Environmental Revolving Loan Fund, Wastewater System Rehabilitation, \$16,900 Authorized, 0% Interest, Annual Payments of \$3,380 Beginning 2015 Through 2019	<u>0</u>	<u>8,715</u>	<u>0</u>	<u>8,715</u>
Total Business-Type Activities	<u>\$5,860,515</u>	<u>\$ 2,514,420</u>	<u>\$ 856,767</u>	<u>\$7,518,168</u>

Maturities of bonds payable are as follows:

<u>Year Ending June 30</u>	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2014	\$ 196,520	\$ 63,608	\$ 462,975	\$ 80,179
2015	196,750	58,214	468,870	74,343
2016	176,985	53,082	478,421	68,177
2017	137,225	49,393	485,008	61,660
2018	137,469	46,466	490,735	54,763
2019-2023	681,188	177,622	2,162,249	200,885
2024-2028	498,077	86,647	2,038,455	127,958
2029-2033	<u>287,450</u>	<u>14,679</u>	<u>931,455</u>	<u>50,166</u>
Total	<u>\$ 2,311,664</u>	<u>\$ 549,711</u>	<u>\$ 7,518,168</u>	<u>\$ 718,131</u>

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

I. Fund Balances/Net Assets

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

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

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

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

Some governments create stabilization-like arrangements by establishing formal minimum fund balance policies. The Town has established a policy to maintain a minimum unassigned fund balance of approximately ten percent (10%) of the budget.

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

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

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

Restricted Net Assets ó Governmental Activities:

The restricted net assets of the Town as of June 30, 2013 consisted of the following:

Governmental Activities:

Restricted for Tax Increment Financing Debt	
By Statute	\$1,787,090
Restricted for Impact Fees by Ordinance	291,442
Restricted for Restoration of Records by Ordinance	130,685
Restricted for Drug Forfeiture by Agreement	41,306
Restricted for Milton Public Library for Grant Agreement	10,346
Restricted for West Milton Cemetery by Donations	7,157
Restricted for Milton Village Fire Department	
Equipment by Donations	5,783
Restricted for Riley Fund Expenses by Donation	<u>526</u>
Total Restricted Net Assets	<u>\$2,274,335</u>

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

Major Funds:

General Fund:	
Nonspendable General Fund Prepaid Expenses	\$ 176,684
Tax Increment Financing Fund:	
Nonspendable Advances to Other Funds	755,929

Non-Major Funds:

West Milton Cemetery Fund ó Non-Spendable Portion (Estimated)	<u>4,500</u>
Total Nonspendable Fund Balances	<u>\$ 937,113</u>

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

Major Funds:

General Fund:	
Restricted for Milton Village Fire Department Equipment	
by Donations	\$ 5,783
Restricted for Riley Fund Expenses by Donation	<u>526</u>
Total General Fund	<u>6,309</u>

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

Tax Increment Financing Fund:

Restricted for Tax Increment Financing Debt by Statute	<u>\$1,031,161</u>
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Non-Major Funds:

Restricted Impact Fees by Ordinance	291,442
Restricted for Restoration of Records by Ordinance	130,685
Restricted for Drug Forfeiture Expenses by Agreement	41,306
Restricted for Milton Public Library by Grant Agreement	10,346
Restricted for West Milton Cemetery by Donations	<u>2,657</u>
Total Non-Major Funds	<u>476,436</u>
Total Restricted Fund Balances	<u>\$1,513,906</u>

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

Major Funds:

Committed for Fire/EMS Capital Reserve Expenses by Voters	\$ 82,187
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Non-Major Funds:

Committed for Road/Sidewalk Restoration Expenses by Voters	<u>125,244</u>
Total Committed Fund Balances	<u>\$ 207,431</u>

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

Major Funds:

General Fund:

Assigned to Reduce Taxes Raised in Fiscal Year 2014	\$335,940
Assigned for Future Health Insurance Costs	208,392
Assigned for Emergency Medical Services	71,474
Assigned for Municipal Complex Improvements	<u>10,000</u>
Total General Fund	<u>625,806</u>

Capital Reserve Fund:

Assigned for Library Bond Debt Service	177,952
Amount Assigned in Excess of Available Fund Balance	<u>(177,952)</u>
Total Capital Reserve Fund	<u>0</u>

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

Non-Major Funds:

Special Revenue Fund:

Assigned for Reappraisal	\$ <u>270,594</u>
Total Assigned Fund Balances	\$ <u>896,400</u>

The unrestricted fund deficit of \$104,833 in the Capital Reserve Fund was funded in 2014 with \$450,000 of debt proceeds received subsequent to year end.

The unrestricted fund deficit of \$16,235 in the Grant Fund was funded by the collection of receivables subsequent to year end.

The unrestricted deficit of \$30,456 in the Water Fund was funded in 2014 with debt proceeds. These proceeds funded capital assets purchased in 2013.

J. Net Assets Held in Trust

The net assets held in trust for various purposes in the Town's Private Purpose Trust Funds at June 30, 2013 consisted of the following:

Private Purpose Trust Fund:	
Restricted for Henry Beeman Trust Fund by Donations	\$ <u>248</u>

V. OTHER INFORMATION

A. BENEFIT PLANS

All employees of the Town of Milton are covered under the State of Vermont Municipal Employees' Retirement Plan. The system requires that both the Town and employees contribute to the Plan which provides retirement, disability and death benefits. The Town has elected to participate in four (4) plans; Plan B, Plan C, Plan D and Plan DC which requires all eligible employees to contribute, 4.5%, 9.25%, 11% and 5%, respectively, of gross wages while the Town contributes 5%, 6.5%, 9.5% and 5.125%, respectively.

The Town of Milton pays all costs accrued each year for the plan. The premise of plans B, C and D is to provide a retirement plan covering municipal employees at a uniform state-wide contribution rate based upon an actuarial valuation of all State of Vermont municipal employees. Activity in this plan is done in the aggregate, not by municipality. The net assets available for benefits as well as the present value of vested and non-vested plan benefits by municipality are not available.

The premise of Plan DC is to allow the employees to have a choice in investing their retirement assets. Each employee will receive the value of their account upon retirement.

TOWN OF MILTON, VERMONT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2013

Total payroll for the year was \$2,843,990 while covered payroll was \$2,111,038. Pension expense for the year ending June 30, 2013, 2012, and 2011 was \$142,521, \$148,638, and \$157,174, respectively.

Additional information regarding the State of Vermont Municipal Employees' Retirement Plan is available upon request from the State of Vermont.

The Town also offers its employees two (2) deferred compensation plans through the International City/County Management Association's (ICMA) Retirement Corporation and Allmerica Financial in accordance with Internal Revenue Code Section 457. The plans permit employees to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The Town has no liability for losses under this plan but does have the duty of due care that would be required of an ordinary prudent investor. All of the investments are self directed by each employee. The Town contributed \$5,403 for the Town Manager during the year ended June 30, 2013.

B. PROPERTY TAXES

Property taxes are levied by August 15 and are due in equal payments on September 15, February 15 and May 15. All unpaid taxes become delinquent on May 16. Interest is assessed at 1% per month and an 8% penalty is assessed when the taxes become delinquent. The Town bills and collects its own property taxes as well as education taxes for the State. Town property tax revenues are recognized when levied. For the year ended June 30, 2013, the tax rate is as follows:

	<u>Homestead</u>	<u>Non-Residential</u>
Municipal	\$.4360	\$.4360
Local Agreement	.0026	.0026
Education	<u>1.1661</u>	<u>1.3217</u>
 Total	 <u>\$1.6047</u>	 <u>\$ 1.7603</u>

C. RISK MANAGEMENT

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

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

The Town has elected to pay actual unemployment claims instead of enrolling in an unemployment insurance program. No liabilities have been accrued as the Town is not able to make an estimate as to any future costs. The Town paid \$10,712 in unemployment claims during fiscal year 2013.

D. TAX INCREMENT FINANCING DISTRICTS

The Town established two Tax Increment Financing (TIF) Districts on March 30, 1998, the Husky TIF District and the Catamount TIF District which were approved by the Vermont Economic Progress Council (VEPC) on November 19, 1998. In 2011, these two TIF Districts were allowed to be treated as a single District, the North/South TIF District by the legislature. In April, 2008, the Town created another TIF District, the Milton Town Core TIF District which VEPC approved in 2008. In April 2011, VEPC approved the TIF District Financing Plan and the District was activated at 2012 Town Meeting.

TIF Districts will allow the Town to undertake and pay for infrastructure improvements that will allow for increased economic and community development. The Town cannot begin any TIF projects unless a debt ceiling is in place. The Town may adjust its debt ceiling through debt related ballot items for TIF projects. Milton specific legislation allows Milton to approve debt ceilings incrementally. All TIF District debt will be secured by the TIF District revenues and the general obligation of the Town. The Town can no longer borrow on the North/South TIF District. There is \$4,477,337 of outstanding debt that is included in the Sewer Fund that will be paid with TIF District incremental taxes. The Milton Town Core TIF District has a debt ceiling of \$4,500,000 that has been approved by the voters. \$2,710,753 of outstanding debt is included in the Sewer Fund that will be paid with TIF District incremental taxes. Another \$395,000 of authorized projects was started in fiscal year 2014. Future debt for improvements to the Railroad/Middle/Route 7 intersection are eligible as well.

With a TIF District, the value of properties within the District are frozen at the time the District is created. All property taxes generated by the original base continue to go to the municipal General Fund and the State Education Fund. For twenty (20) years, the municipal and education property taxes generated by any new development are shared with up to 75% going to finance TIF District infrastructure debt and 25% going to the municipal General Fund and State Education Fund.

The Tax Incremental Financing Fund is encumbered with a \$250,000 loan that has yet to be drawn upon for interfund financing for projects for the Capital Reserve Fund. This will remain in place until the \$250,000 is needed to service voter approved debt for the District or until the \$250,000 loan has been drawn down in full.

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

E. CONTINGENT LIABILITIES

The Town is a participating member in the Chittenden Solid Waste District (CSWD) and Champlain Water District (CWD). The Town could be subject to a portion of these entities debt if these entities experience financial problems.

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

F. SUBSEQUENT EVENTS

Subsequent to year end, the Town received \$1,040,000 in bond proceeds from the Vermont Municipal Bond Bank. \$450,000 was for a ladder truck the Town purchased in 2013 and \$590,000 was for waterline improvements already installed.

G. COMMITMENTS

The Town has several commitments for construction projects that have been approved by the voters.

H. CONCENTRATION OF EXPENSES

The Town purchased all of their water from Champlain Water district "CWD" for the year ended June 30, 2013. The Town purchased \$336,623 of water from CWD.

TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Property Taxes:				
Taxes	\$ 4,534,362	\$ 4,534,362	\$ 4,395,426	\$ (138,936)
Railroad Taxes	1,315	1,315	1,505	190
State Land Taxes	16,399	16,399	16,399	0
Use Value Hold Harmless	41,600	41,600	45,597	3,997
Penalty on Late HS-122	500	500	1,247	747
School Tax Collection Fee	22,500	22,500	24,783	2,283
Total Property Taxes	4,616,676	4,616,676	4,484,957	(131,719)
Interest/Penalty Delinquent Tax:				
Interest on Delinquent Tax	35,000	35,000	22,382	(12,618)
Penalties on Delinquent Taxes	57,000	57,000	43,798	(13,202)
Total Interest/Penalty Delinquent Tax	92,000	92,000	66,180	(25,820)
Miscellaneous Revenue:				
State Land PILOT	3,200	3,200	2,940	(260)
VLCT PACIF Leadership	2,700	2,700	0	(2,700)
Total Miscellaneous Revenue	5,900	5,900	2,940	(2,960)
License Revenue:				
Fish and Wildlife License Fees	600	600	0	(600)
Motor Vehicle Renewal	3,500	3,500	2,181	(1,319)
Dog Licenses	4,500	4,500	4,554	54
Total License Revenue	8,600	8,600	6,735	(1,865)
Reimbursement Revenue:				
School's Share Finance	151,069	151,069	151,442	373
Water/Sewer Administration Reimbursement	316,504	316,504	316,504	0
School Share Elections	1,500	1,500	1,408	(92)
Total Reimbursement Revenue	469,073	469,073	469,354	281
Library Fees:				
Library Fees	35	35	1,505	1,470
Library Donation	2,369	2,369	0	(2,369)
Total Library Fees	2,404	2,404	1,505	(899)

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenue/(Cont'd):				
Recording Fees:				
Recording Fees	\$ 100,000	\$ 100,000	\$ 97,670	\$ (2,330)
Clerk's Fees	0	0	13,253	13,253
Operating Transfer In - Restoration of Records	20,000	20,000	17,206	(2,794)
Total Recording Fees	<u>120,000</u>	<u>120,000</u>	<u>128,129</u>	<u>8,129</u>
Listers Fees:				
Listers Fees	100	100	168	68
Appraisal Fees	1,076	1,076	0	(1,076)
Lister's Education	600	600	427	(173)
Total Listers Fees	<u>1,776</u>	<u>1,776</u>	<u>595</u>	<u>(1,181)</u>
Interest:				
Interest on Investments	12,000	12,000	2,113	(9,887)
Total Interest	<u>12,000</u>	<u>12,000</u>	<u>2,113</u>	<u>(9,887)</u>
Miscellaneous Income:				
Other Financing Sources	2,500	2,500	829	(1,671)
Total Miscellaneous Income	<u>2,500</u>	<u>2,500</u>	<u>829</u>	<u>(1,671)</u>
Operating Transfers In:				
Impact Fee Fund	30,000	30,000	30,000	0
Tax Increment Financing Fund	16,231	16,231	16,453	222
Total Operating Transfers In	<u>46,231</u>	<u>46,231</u>	<u>46,453</u>	<u>222</u>
Police Fees:				
Police Fines and Costs	35,000	35,000	20,025	(14,975)
Police Fees	2,600	2,600	3,001	401
Police Contracts	30,000	30,000	9,603	(20,397)
Hallistic Vests Grant	1,500	1,500	0	(1,500)
CDIP Grant	3,000	3,000	0	(3,000)
Police Donations	200	200	0	(200)
COPS Grant	66,988	66,988	69,073	2,085
Total Police Fees	<u>139,288</u>	<u>139,288</u>	<u>101,702</u>	<u>(37,586)</u>

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenue/(Cont'd):				
Rescue Fees:				
Fire Department Fees	\$ 5,000	\$ 5,000	\$ 318	\$ (4,682)
Fire Department Insurance - Reimbursement	1,929	1,929	0	(1,929)
Rescue Fees	225,000	225,000	230,617	5,617
Rescue Donations	<u>3,500</u>	<u>3,500</u>	<u>1,755</u>	<u>(1,745)</u>
Total Rescue Fees	<u>235,429</u>	<u>235,429</u>	<u>232,690</u>	<u>(2,739)</u>
Animal Control Fees:				
Pound Fees	<u>6,000</u>	<u>6,000</u>	<u>3,143</u>	<u>(2,857)</u>
Total Animal Control Fees	<u>6,000</u>	<u>6,000</u>	<u>3,143</u>	<u>(2,857)</u>
Interest on Rescue Donations:	<u>7</u>	<u>7</u>	<u>17</u>	<u>10</u>
Intergovernmental:				
State Aid to Highways	<u>225,000</u>	<u>225,000</u>	<u>241,287</u>	<u>16,287</u>
Total Intergovernmental	<u>225,000</u>	<u>225,000</u>	<u>241,287</u>	<u>16,287</u>
Public Works Fees:				
Public Works Fees	2,500	2,500	3,140	640
Engineer Fees	<u>1,000</u>	<u>1,000</u>	<u>0</u>	<u>(1,000)</u>
Total Public Works Fees	<u>3,500</u>	<u>3,500</u>	<u>3,140</u>	<u>(360)</u>
Concession Vendor Fees:	<u>0</u>	<u>0</u>	<u>100</u>	<u>100</u>
Recreation:				
Recreation Fees	34,000	34,000	47,988	13,988
Great Escape Sales	13,500	13,500	10,590	(2,910)
Recreation Field Use	3,000	3,000	3,655	655
After School	<u>0</u>	<u>0</u>	<u>10</u>	<u>10</u>
Total Recreation	<u>50,500</u>	<u>50,500</u>	<u>62,243</u>	<u>11,743</u>
Library:				
Insurance Reimbursement	<u>400</u>	<u>400</u>	<u>0</u>	<u>(400)</u>
Total Library	<u>400</u>	<u>400</u>	<u>0</u>	<u>(400)</u>

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenue/(Cont'd):				
Planning Zoning Fees:				
Building Permit Fees	\$ 25,000	\$ 25,000	\$ 35,762	\$ 10,762
Planning Fees	13,890	13,890	10,151	(3,739)
Total Planning Zoning Fees	<u>38,890</u>	<u>38,890</u>	<u>45,913</u>	<u>7,023</u>
Reduction in Debt Service Fund:	<u>40,000</u>	<u>40,000</u>	<u>20,000</u>	<u>(20,000)</u>
Total Revenues	<u>6,116,174</u>	<u>6,116,174</u>	<u>5,920,025</u>	<u>(196,149)</u>
Expenditures:				
General Government:				
Selectboard:				
Regular Salaries	7,600	8,600	8,370	230
Part-Time Salaries	1,545	545	0	545
Social Security	700	700	537	163
Other Professional Services	26,000	26,658	26,658	0
Advertising	2,500	2,149	1,792	357
Printing and Binding	2,025	1,718	1,376	342
Citizen Recognition	500	500	243	257
Office Supplies	300	300	127	173
Other Supplies	230	340	340	0
Books and Periodicals	200	90	0	90
Dues and Fees	9,289	11,485	11,485	0
Tax Abatements	5,000	5,000	3,238	1,762
Professional Development	500	500	495	5
Total Selectboard	<u>56,389</u>	<u>58,585</u>	<u>54,661</u>	<u>3,924</u>
Election:				
Part Time Salaries	10,000	10,468	10,468	0
Social Security	765	793	793	0
Technical	4,500	4,004	3,461	543
Advertising	100	100	77	23
Printing and Binding	2,000	2,000	625	1,375
Postage	2,000	2,000	775	1,225
Office Supplies	250	250	198	52
General Supplies	200	200	171	29
Professional Development	100	100	0	100
Total Election	<u>19,915</u>	<u>19,915</u>	<u>16,568</u>	<u>3,347</u>

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Insurance/Risk Management:				
Unemployment Compensation	\$ 0	\$ 91	\$ 697	\$ (606)
Worker's Compensation	89,420	83,677	72,195	11,482
General Liability Insurance	46,759	46,759	42,077	4,682
Vehicle Insurance	16,669	19,468	19,468	0
Property Insurance	21,924	24,777	24,777	0
Employment Practices	7,115	7,115	7,000	115
Public Officials Liability	10,759	10,759	10,637	122
Long Term Disability	9,700	9,700	7,850	1,850
Short Term Disability	6,300	6,300	5,456	844
Vision Service Plan	8,900	8,900	8,218	682
Total Insurance/Risk Management	217,546	217,546	198,375	19,171
Legal:				
General Government	17,500	29,500	26,871	2,629
Planning	2,500	2,500	2,428	72
Health	5,500	5,500	240	5,260
Appeals	5,500	500	45	455
Total Legal	31,000	38,000	29,584	8,416
Property, Taxes and Assessments:				
County Taxes	45,734	45,734	45,300	434
Town of Westford	3,200	3,200	2,250	950
CCTA Assessment	50,000	50,000	48,719	1,281
Total Property, Taxes and Assessments	98,934	98,934	96,269	2,665
Town Manager:				
Regular Salaries	137,279	141,279	141,919	(640)
Retirement Buyout	11,913	11,913	11,913	0
Part Time Salaries	25,000	23,000	20,885	2,115
Travel Allowance	4,800	4,800	4,800	0
Group Health Insurance	22,986	19,148	17,928	1,220
Group Dental Insurance	2,446	2,446	2,329	117
Group Life Insurance and AD&D	840	840	712	128
Social Security	13,693	13,693	13,744	(51)
Retirement	12,783	13,665	14,270	(605)
Other Professional Service	2,000	1,000	60	940
Communications - Telephone	630	630	580	50
Communication - Other	690	690	650	40
Advertising	150	142	0	142
Travel	1,750	3,470	3,470	0

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Town Manager/(Cont'd):				
Postage	\$ 850	\$ 1,230	\$ 1,230	\$ 0
Employee Recognition	110	110	0	110
Office Supplies	800	800	681	119
Technology	500	813	813	0
Gasoline	35	59	83	(24)
Machinery and Equipment	300	300	60	240
Dues and Fees	920	920	795	125
Professional Development	2,395	5,922	5,863	59
	<u>242,870</u>	<u>246,870</u>	<u>242,785</u>	<u>4,085</u>
Total Town Manager				
Town Clerk/Treasurer:				
Regular Salaries	169,358	169,358	171,157	(1,799)
Retirement Buyout	12,706	12,706	12,706	0
Part Time Salaries	29,754	29,754	28,710	1,044
Group Health Insurance	29,398	29,411	29,411	0
Group Dental Insurance	2,542	2,542	2,420	122
Group Life Insurance & AD&D	1,039	1,039	789	250
Social Security	16,204	16,204	15,818	386
Retirement Contribution	8,468	8,468	8,620	(152)
Technical	500	472	0	472
Technical/ACS	20,000	20,000	15,659	4,341
Credit Card Option	0	325	(1,431)	1,756
Shredding	200	200	170	30
Photo Copier Maintenance	1,400	1,400	640	760
Communications - Telephone	675	675	439	236
Advertising	100	100	102	(2)
Printing and Binding	200	215	215	0
Travel	250	250	0	250
Postage	2,500	2,500	1,766	734
Office Supplies	2,500	2,500	2,163	337
General Supplies	200	200	28	172
Books and Periodicals	100	100	27	73
Machinery and Equipment	900	900	775	125
Dues and Fees	280	280	130	150
Professional Development	1,750	1,425	440	985
	<u>301,024</u>	<u>301,024</u>	<u>290,754</u>	<u>10,270</u>
Total Town Clerk/Treasurer				

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Finance Office:				
Regular Salaries	\$ 170,771	\$ 170,771	\$ 133,201	\$ 37,570
Insurance Buyout	3,200	4,267	4,267	0
Group Health Insurance	35,018	35,018	18,129	16,889
Group Dental Insurance	4,892	4,892	2,241	2,651
Group Life Insurance and AD&D	1,053	1,053	623	430
Social Security	13,309	13,309	10,401	2,908
Retirement Contribution	8,745	7,039	6,923	116
Communications-Telephone	540	540	265	275
Printing and Binding	3,200	3,200	2,926	274
Travel	120	210	210	0
Postage	9,000	9,000	8,541	459
Office Supplies	1,700	1,700	1,699	1
General Supplies	400	400	284	116
Machinery and Equipment	900	900	620	280
Furniture and Fixtures	0	44	44	0
Professional Development	455	960	1,030	(70)
	<u>253,303</u>	<u>253,303</u>	<u>191,404</u>	<u>61,899</u>
Total Finance Office				
Listers:				
Regular Salaries	360	360	0	360
Part Time Salaries	34,869	34,869	34,531	338
Social Security	2,695	2,695	2,642	53
Official/Administrative	22,500	22,000	20,556	1,444
Technical	3,000	3,500	3,500	0
Communications-Telephone	531	531	265	266
Travel	220	220	25	195
Postage	450	450	431	19
Office Supplies	450	450	81	369
Books and Periodicals	60	60	0	60
Machinery and Equipment	900	900	0	900
Professional Development	250	250	150	100
	<u>66,285</u>	<u>66,285</u>	<u>62,181</u>	<u>4,104</u>
Total Listers				
Contingency:				
Contingency	<u>58,666</u>	<u>25,670</u>	<u>1,605</u>	<u>24,065</u>
Total Contingency				
	<u>58,666</u>	<u>25,670</u>	<u>1,605</u>	<u>24,065</u>

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Administrative Services:				
Health Insurance - Choice	\$ 4,000	\$ 4,000	\$ 4,880	\$ (880)
HRA Contribution	173,803	173,803	67,132	106,671
Tuition Reimbursement	1,000	1,000	0	1,000
Other Professional	750	750	600	150
Technical	0	300	300	0
Shredding	350	50	0	50
Vehicle/Equipment Maintenance	2,260	2,260	464	1,796
Photo Copier Maintenance	2,200	2,545	2,545	0
Advertising	1,360	1,360	576	784
Postage Machine Rental	1,233	888	576	312
Postage Machine Maintenance	531	683	683	0
Office Supplies	3,460	3,248	2,862	386
Dues and Fees	50	110	110	0
Total Administrative Services	190,997	190,997	80,728	110,269
Information Technology:				
Technical	36,100	37,027	37,027	0
Communications - Other	10,876	10,876	9,282	1,594
Technology	750	108	0	108
Machinery and Equipment	1,610	1,610	1,211	399
Professional Development	285	0	0	0
Total Information Technology	49,621	49,621	47,520	2,101
Total General Government	1,586,550	1,566,750	1,312,434	254,316
Public Safety:				
Police Department:				
Regular Salaries	871,771	869,296	851,800	17,496
Shift Differential	11,000	15,500	15,934	(434)
Instructor Salaries	1,500	1,500	155	1,345
Temporary Salaries	20,000	20,000	12,258	7,742
Overtime	70,000	76,000	78,955	(2,955)
Contract Salaries	30,000	30,000	18,594	11,406
Insurance Buyout	3,800	3,800	3,800	0
Travel Allowance	900	900	900	0
Physical Fitness	2,500	1,500	2,784	(1,284)
Group Health Insurance	143,762	143,762	131,636	12,126
Group Dental Insurance	14,895	14,895	13,925	970
Group Life Insurance and AD&D	5,397	5,397	3,708	1,689

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Police Department/(Cont'd):				
Social Security	\$ 77,378	\$ 77,378	\$ 73,476	\$ 3,902
Retirement Contribution	85,250	85,250	84,229	1,021
Other Professional	4,200	4,200	3,901	299
Technical	95,550	96,650	96,610	40
Vehicle Maintenance	17,516	19,216	19,517	(301)
Photo Copier Maintenance	1,500	2,000	1,801	199
Communications - Telephone	3,844	4,844	4,690	154
Communications - Other	5,795	5,795	4,279	1,516
Advertising	500	500	0	500
Printing and Binding	740	740	687	53
Chittenden County Special Investigations	9,000	9,557	9,557	0
Travel	5,525	5,525	3,239	2,286
Postage	350	350	305	45
Office Supplies	4,000	4,000	3,155	845
General Supplies	7,000	7,500	7,755	(255)
Technology	300	300	0	300
Gasoline	46,455	47,455	49,937	(2,482)
Books and Periodicals	800	800	0	800
Uniforms	13,600	13,600	6,828	6,772
Machinery and Equipment	3,385	3,753	3,753	0
Furniture and Fixtures	300	300	0	300
Dues and Fees	1,130	1,130	520	610
Professional Development	6,500	6,500	3,079	3,421
Gym Membership	0	1,250	1,175	75
Youth Program	1,100	1,100	792	308
Ballistic Vests Grant	3,425	3,425	2,694	731
	<u>1,570,668</u>	<u>1,585,668</u>	<u>1,516,428</u>	<u>69,240</u>
Total Police Department				

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Fire Department:				
Regular Salaries	\$ 14,961	\$ 15,211	\$ 16,206	\$ (995)
Temporary Salaries	83,601	83,601	77,461	6,140
Group Health Insurance	4,036	4,136	4,064	72
Group Dental Insurance	496	496	472	24
Group Life Insurance and AD&D	92	92	78	14
Social Security	7,540	7,540	7,084	456
Retirement Contribution	748	798	785	13
Worker's Compensation	0	0	(180)	180
Other Professional	6,025	6,025	2,898	3,127
Technical	40,085	40,085	40,085	0
Vehicle/Equipment Maintenance	23,400	23,400	20,736	2,664
Photo Copier Maintenance	375	375	287	88
Communications Telephone	788	788	544	244
Communications - Other	1,100	1,100	911	189
Advertising	100	100	0	100
Printing and Binding	150	150	0	150
Travel	200	200	93	107
Postage	100	100	3	97
Office Supplies	1,000	1,000	399	601
General Supplies	5,100	5,100	1,020	4,080
Technology	0	0	400	(400)
Diesel Fuel	4,970	6,370	6,438	(68)
Books and Periodicals	200	200	80	120
Uniforms	2,000	2,000	582	1,418
Machinery/Equipment	39,425	39,425	24,463	14,962
Furniture and Fixtures	250	250	0	250
Dues and Fees	1,625	1,625	1,022	603
Professional Development	3,100	1,300	784	516
Fire Prevention	3,750	3,750	2,282	1,468
	<u>245,217</u>	<u>245,217</u>	<u>208,997</u>	<u>36,220</u>
Total Fire Department	245,217	245,217	208,997	36,220

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Rescue:				
Regular Salaries	\$ 33,301	\$ 33,701	\$ 35,102	\$ (1,401)
Temporary Salaries	90,256	90,256	65,353	24,903
Group Health Insurance	8,983	9,058	9,008	50
Group Dental Insurance	1,103	1,103	1,051	52
Group Life Insurance and AD&D	205	205	173	32
Social Security	9,453	9,453	7,523	1,930
Retirement Contributions	1,665	1,695	1,751	(56)
Other Professional	2,400	2,400	1,847	553
Technical	41,835	41,835	40,185	1,650
Contracted Services	12,500	12,500	10,151	2,349
Vehicle/Equipment Maintenance	7,450	7,450	3,235	4,215
Photo Copier Maintenance	375	375	0	375
Communications - Telephone	600	600	521	79
Communications - Other	1,950	1,950	1,683	267
Advertising	750	750	0	750
Printing and Binding	250	250	0	250
Travel	200	200	0	200
Postage	125	125	22	103
Office Supplies	500	500	52	448
General Supplies	15,840	15,940	15,970	(30)
Diesel Fuel	7,525	7,525	8,303	(778)
Books and Periodicals	175	175	0	175
Uniforms	1,500	1,500	655	845
Machinery/Equipment	10,475	10,475	9,092	1,383
Furniture and Fixtures	250	250	0	250
Dues and Fees	725	725	665	60
Professional Development	10,875	10,270	6,554	3,716
Public Education Material	0	0	809	(809)
Donation Expense	3,500	3,500	3,218	282
Total Rescue	264,766	264,766	222,923	41,843

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Animal Control:				
Part Time Salaries	\$ 2,700	\$ 2,700	\$ 230	\$ 2,470
Social Security	207	207	18	189
Professional Services	500	500	460	40
Other Professional	900	900	0	900
Care & Keep Dogs and Cats	4,595	4,595	4,343	252
Dog Damage	300	300	0	300
Advertising	102	102	68	34
Printing and Binding	400	400	367	33
Travel	550	550	249	301
Postage	10	10	0	10
General Supplies	380	380	227	153
Professional Development	300	300	0	300
Total Animal Control	<u>10,944</u>	<u>10,944</u>	<u>5,962</u>	<u>4,982</u>
Total Public Safety	<u>2,091,595</u>	<u>2,106,595</u>	<u>1,954,310</u>	<u>152,285</u>
Public Works:				
Public Works Director:				
Regular Salaries	88,888	88,888	89,701	(813)
Group Health Insurance	14,576	14,576	14,552	24
Group Dental Insurance	2,046	2,046	1,949	97
Group Life Insurance and AD&D	548	548	443	105
Social Security	6,800	6,800	6,714	86
Retirement	4,444	4,444	1,966	2,478
Land Fill Closure	7,300	7,300	6,935	365
Contracted Services	6,800	6,800	6,800	0
Engineering Services	8,000	6,869	0	6,869
Communications - Telephone	2,325	2,325	1,736	589
Communications - Other	1,775	2,169	2,169	0
Advertising	850	850	508	342
Travel	1,950	1,450	196	1,254
Postage	460	460	188	272
Office Supplies	950	950	657	293
General Supplies	500	500	55	445
Technology	0	900	775	125
Gasoline	800	860	834	26
Books and Periodicals	300	300	33	267
Machinery and Equipment	250	250	0	250
Furniture and Fixtures	250	250	0	250
Dues and Fees	8,050	8,727	8,727	0
Professional Development	4,300	3,900	810	3,090
Total Public Works Director	<u>162,162</u>	<u>162,162</u>	<u>145,748</u>	<u>16,414</u>

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Highways:				
Regular Salaries	\$ 278,589	\$ 278,589	\$ 271,118	\$ 7,471
Retirement Buyout	22,255	22,255	22,255	0
Part Time Salaries	5,000	5,000	1,418	3,582
Overtime Salaries	29,000	29,000	17,054	11,946
Group Health Insurance	70,839	70,839	70,249	590
Group Dental Insurance	8,460	8,460	7,571	889
Group Life Insurance and AD&D	1,718	1,718	1,230	488
Social Security	25,615	25,615	23,115	2,500
Retirement	15,653	15,653	14,735	918
Other Employee Benefits	1,325	1,325	1,220	105
Contracted Services	27,000	4,757	2,739	2,018
Erosion Control	2,500	2,500	2,294	206
Repairs Maintenance	1,500	1,500	541	959
Vehicle Maintenance	70,000	94,669	92,543	2,126
Storm Water Maintenance	1,500	0	0	0
Rental of Equipment/Vehicle	2,000	2,000	1,171	829
Paving	257,000	254,605	257,000	(2,395)
Asphalt	8,200	9,300	9,300	0
Insurance Deductible	0	500	500	0
Winter Salt	113,400	116,400	113,840	2,560
Winter Sand	21,000	16,806	14,313	2,493
Chloride	14,000	14,000	12,158	1,842
Plant Mix/Gravel	50,000	51,194	51,194	0
General Supplies	8,000	10,395	8,345	2,050
Plow Supplies	10,000	8,072	7,902	170
Culverts	12,000	11,500	10,478	1,022
Traffic Signs	3,000	3,416	3,155	261
Diesel Fuel	56,480	57,970	60,387	(2,417)
Gasoline	1,956	2,356	2,369	(13)
Employee Uniforms	4,275	1,871	1,798	73
Guardrails	1,500	1,500	0	1,500
Machinery and Equipment	3,000	2,944	1,043	1,901
Small Tools	1,000	1,056	1,056	0
Total Highways	1,127,765	1,127,765	1,084,091	43,674

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Building and Grounds:				
Regular Salaries	\$ 82,477	\$ 82,477	\$ 81,380	\$ 1,097
Part Time Employees	13,602	11,602	9,064	2,538
Overtime	1,500	3,500	3,120	380
Insurance Buyout	3,200	3,200	3,200	0
Group Health Insurance	19,640	17,040	14,619	2,421
Group Dental Insurance	2,960	2,960	2,286	674
Group Life Insurance and AD&D	509	509	375	134
Social Security	7,710	7,710	7,336	374
Retirement Contributions	4,409	7,009	7,053	(44)
Other Employee Benefits	538	538	522	16
Other Professional Service	1,500	1,500	175	1,325
Technical Cemeteries	800	800	444	356
Contracted Services	1,800	855	194	661
Water/Sewer	2,000	2,187	2,187	0
Disposal & Refuse	5,000	4,400	4,834	(434)
Repair and Maintenance Facilities	23,500	18,688	19,241	(553)
Repair and Maintenance Equipment	4,000	2,100	2,049	51
Rental of Land and Building	2	2	0	2
Rental of Equipment and Vehicle	500	500	197	303
Building Mat Rentals	1,600	893	664	229
General Supplies	4,250	6,008	5,328	680
Playing Surface Supplies	4,000	2,027	1,575	452
Equipment Playing Surface	300	300	0	300
Building Structure Fence	200	212	212	0
Natural Gas	22,500	17,600	17,319	281
Electricity	37,500	52,606	53,155	(549)
Electricity - Street Lights	31,500	31,500	33,744	(2,244)
Propane	4,500	2,166	1,609	557
Heating Oil	2,200	2,423	2,423	0
Gasoline	4,238	6,123	5,653	470
Diesel Fuel	993	993	0	993
Employee Uniforms	1,750	1,750	1,131	619
Machinery & Equipment	650	650	359	291
Small Tools	300	300	135	165
	<u>292,128</u>	<u>293,128</u>	<u>281,583</u>	<u>11,545</u>
Total Buildings and Grounds				
	<u>1,582,055</u>	<u>1,583,055</u>	<u>1,511,422</u>	<u>71,633</u>
Total Public Works				

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

TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Health Education Welfare:				
Health Officer:				
Regular Salaries	\$ 6,898	\$ 6,898	\$ 6,882	\$ 16
Part Time Salaries	1,363	1,703	1,363	340
Social Security	632	632	618	14
Employee Retirement	345	345	345	0
Technical	150	0	0	0
Postage	75	75	0	75
Office Supplies	100	60	0	60
Professional Development	180	30	0	30
	<u>9,743</u>	<u>9,743</u>	<u>9,208</u>	<u>535</u>
Total Health Officer				
Appropriations:				
Women Helping Women	500	500	500	0
Howard Center for Human Services	200	200	200	0
Visiting Nurse Appropriations	500	500	500	0
Green up Vermont	300	300	205	95
Milton Facility Community Center	4,375	4,375	4,375	0
Arrowhead Senior Citizens	7,000	7,000	7,000	0
Champlain Valley Agency	5,000	5,000	5,000	0
Association for the Blind	250	250	250	0
Women's Rape Crisis Center	350	350	350	0
Milton Grange	500	500	500	0
	<u>18,975</u>	<u>18,975</u>	<u>18,880</u>	<u>95</u>
Total Appropriations				
Total Health Education Welfare				
	<u>28,718</u>	<u>28,718</u>	<u>28,088</u>	<u>630</u>
Culture and Recreation:				
Library:				
Regular Salaries	90,400	89,879	81,683	8,196
Part Time Salaries	29,301	29,301	23,601	5,700
Part Time Salaries - Bookmobile	3,553	3,553	3,340	213
Group Health Insurance	22,986	22,986	22,046	940
Group Dental Insurance	2,446	2,446	2,150	296
Group Life Insurance and AD&D	558	558	345	213
Social Security	9,429	9,429	8,168	1,261
Employee Retirement	4,520	4,520	3,776	744
Unemployment Compensation	0	5,521	5,521	0
Official/Administrative	11,564	6,564	6,418	146
Other Professional Services	275	275	158	117
Professional Programs	2,800	2,797	2,232	565
Communications - Telephone	165	165	53	112
Communications - Other	240	240	240	0
Advertising	350	350	303	47

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Library/(Cont'd):				
Printing and Binding	\$ 275	\$ 1,056	\$ 1,056	\$ 0
Travel	1,500	1,500	1,429	71
Postage	2,600	2,600	2,558	42
Office Supplies	6,000	5,000	4,432	568
General Supplies	800	800	709	91
Books - Adults	8,074	8,074	8,049	25
Audios	6,006	6,006	5,399	607
CD Roms	450	441	0	441
Books - Childrens	7,112	7,112	7,073	39
Books - Juvenile	6,473	6,482	6,482	0
Books - Large - Print	3,900	2,900	2,870	30
Periodicals	1,500	1,503	1,503	0
Books - Reference	1,222	1,222	1,104	118
Videos	4,815	4,815	4,707	108
Machinery and Equipment	4,000	7,326	5,519	1,807
Furniture and Fixtures	1,000	1,000	538	462
Dues and Fees	1,005	1,005	225	780
Professional Development	2,265	158	155	3
	<u>237,584</u>	<u>237,584</u>	<u>213,842</u>	<u>23,742</u>
Total Library				
Recreation:				
Regular Salaries	31,792	34,292	33,377	915
Temporary Employees	10,000	12,000	9,146	2,854
Social Security	3,197	3,197	3,253	(56)
Retirement	973	1,020	1,020	0
Rental of Equipment	2,500	2,500	4,060	(1,560)
Communications - Telephone	225	225	53	172
Advertising	400	400	378	22
Printing and Binding	5,000	5,000	4,812	188
Travel	300	300	198	102
Postage	300	300	112	188
Office Supplies	400	400	172	228
General Supplies	500	500	318	182
Technology	1,464	1,464	1,464	0
Uniforms	100	100	24	76
Machinery and Equipment	1,200	1,200	482	718
Dues and Fees	650	650	472	178
Professional Development	500	500	333	167
Babe Ruth	500	500	500	0
LL Baseball and Softball	500	500	500	0
Youth Soccer	500	500	500	0
Downhill Ski Club	300	300	300	0
Swimming	1,000	581	582	(1)
Music in Park	1,000	925	925	0

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Recreation: (Cont'd)				
Olde Fashion Fourth	\$ 3,000	\$ 3,000	\$ 3,000	\$ 0
Summer Travelers				0
Milton Youth Lacrosse	500	500	500	0
Town Events	5,920	5,995	5,981	14
Revenue Programs	34,000	32,789	32,789	0
Scholarships FR Revenue Program	2,000	2,000	566	1,434
Great Escape Program	13,500	13,083	10,950	2,133
Town Band	550	550	550	0
	<u>122,771</u>	<u>125,271</u>	<u>117,317</u>	<u>7,954</u>
Total Recreation				
	<u>360,355</u>	<u>362,855</u>	<u>331,159</u>	<u>31,696</u>
Total Culture and Recreation				
Economic:				
Planning:				
Regular Salaries	179,568	179,568	172,356	7,212
Retirement Buyout	11,392	11,392	11,392	0
Group Health Insurance	32,390	32,297	30,918	1,379
Group Dental Insurance	3,335	3,428	3,428	0
Group Life Insurance and AD&D	1,107	1,107	820	287
Social Security	14,608	14,608	13,719	889
Retirement Contribution	9,094	9,094	8,620	474
Other Professional	0	25	25	0
Recording Fees	0	250	0	250
Communications - Telephone	638	638	318	320
Advertising	4,700	4,700	2,442	2,258
Printing and Binding	1,000	1,000	1,000	0
Travel	300	300	127	173
Postage	2,000	2,000	1,291	709
Office Supplies	750	625	597	28
Technology	0	24	24	0
Gasoline	700	550	415	135
Books and Periodicals	500	500	0	500
Machinery/Equipment	1,600	1,576	100	1,476
Conservation Commission	600	600	67	533
Dues and Fees	7,281	7,281	7,006	275
Professional Development	1,850	1,850	750	1,100
	<u>273,413</u>	<u>273,413</u>	<u>255,415</u>	<u>17,998</u>
Total Planning				

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Economic Development Comm:				
Advertising	\$ 50	\$ 50	\$ 0	\$ 50
Printing and Binding	500	500	0	500
Travel	370	370	365	5
Postage	75	75	0	75
Office Supplies	120	120	0	120
Books and Periodicals	100	100	0	100
Dues and Fees	10,615	10,615	10,275	340
Professional Development	1,450	1,450	1,303	147
Milton Artists Guild	500	500	500	0
Total Economic Development Comm	13,780	13,780	12,443	1,337
Total Economic	287,193	287,193	267,858	19,335
Debt Service:				
Municipal Building	60,000	60,000	60,000	0
Library Expansion - Principal	85,000	85,000	85,000	0
Main Street Stormwater - Principal	11,072	11,072	11,294	(222)
Fire Station	40,000	40,000	40,000	0
Highway Mid-Size Truck	37,071	37,071	39,155	(2,084)
Rescue Ambulance	31,597	31,597	33,483	(1,886)
Municipal Building	11,115	11,115	11,115	0
Library Expansion - Interest	41,404	42,704	43,139	(435)
Main Street Stormwater - Interest	5,159	5,159	5,159	0
Fire Station	11,022	11,022	11,022	0
Highway Truck - Interest	3,336	3,336	1,252	2,084
Ambulance Interest	8,032	8,032	3,268	4,764
Total Debt Service	344,808	346,108	343,887	2,221
Capital Improvements:	182,400	182,400	182,400	0
Total Expenditures	6,463,674	6,463,674	5,931,558	532,116
Excess/(Deficiency) of Revenues Over Expenditures	\$ (347,500)	\$ (347,500)	(11,533)	\$ 335,967
Fund Balance - July 1, 2012			1,116,544	
Fund Balance - June 30, 2013			\$ 1,105,011	

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TOWN OF MILTON, VERMONT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2013

Special Revenue Funds

	Impact Fees Fund	Reappraisal Fund	Restoration of Records Fund	Drug Forfeiture Fund
<u>ASSETS</u>				
Cash	\$ 383,103	\$ 293,689	\$ 196,720	\$ 39,465
Receivables	0	0	0	0
Due from Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,841</u>
Total Assets	<u>\$ 383,103</u>	<u>\$ 293,689</u>	<u>\$ 196,720</u>	<u>\$ 41,306</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Due to Other Funds	77,771	23,095	66,035	0
Unearned Revenue	0	0	0	0
Due to Others	<u>13,890</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>91,661</u>	<u>23,095</u>	<u>66,035</u>	<u>0</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Unavailable Revenue - Grants	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	291,442	0	130,685	41,306
Committed	0	0	0	0
Assigned	0	270,594	0	0
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>291,442</u>	<u>270,594</u>	<u>130,685</u>	<u>41,306</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 383,103</u>	<u>\$ 293,689</u>	<u>\$ 196,720</u>	<u>\$ 41,306</u>

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Milton Public Library Fund	Grant Fund	Village of Milton Fund	Capital Project Fund Road/Sidewalk Restoration Reserve Fund	Permanent Fund West Milton Cemetery Fund	Total
\$ 10,346	\$ 0	\$ 0	\$ 0	\$ 5,473	\$ 928,796
0	16,235	0	0	0	16,235
0	21,694	0	125,244	1,684	150,463
\$ 10,346	\$ 37,929	\$ 0	\$ 125,244	\$ 7,157	\$ 1,095,494
\$ 0	\$ 11,578	\$ 0	\$ 0	\$ 0	\$ 11,578
0	0	0	0	0	166,901
0	26,351	0	0	0	26,351
0	0	0	0	0	13,890
0	37,929	0	0	0	218,720
0	16,235	0	0	0	16,235
0	16,235	0	0	0	16,235
0	0	0	0	4,500	4,500
10,346	0	0	0	2,657	476,436
0	0	0	125,244	0	125,244
0	0	0	0	0	270,594
0	(16,235)	0	0	0	(16,235)
10,346	(16,235)	0	125,244	7,157	860,539
\$ 10,346	\$ 37,929	\$ 0	\$ 125,244	\$ 7,157	\$ 1,095,494

TOWN OF MILTON, VERMONT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2013

Special Revenue Funds

	Impact Fees Fund	Reappraisal Fund	Restoration of Records Fund	Drug Forfeiture Fund
Revenues:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	0	41,779	0	33,368
Charges for Services	82,085	0	50,717	0
Investment Income	554	358	251	15
Donations	0	0	0	0
Total Revenues	<u>82,639</u>	<u>42,137</u>	<u>50,968</u>	<u>33,383</u>
Expenditures:				
Current:				
General Government	0	17,277	43,491	0
Public Safety	0	0	0	2,363
Highways and Streets	0	0	0	0
Culture and Recreation	0	0	0	0
Capital Outlay:				
Public Safety	0	0	0	0
Highways and Streets	0	0	0	0
Culture and Recreation	0	0	0	0
Total Expenditures	<u>0</u>	<u>17,277</u>	<u>43,491</u>	<u>2,363</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>82,639</u>	<u>24,860</u>	<u>7,477</u>	<u>31,020</u>
Other Financing Sources/(Uses):				
Transfers In	0	0	0	0
Transfers Out	<u>(107,771)</u>	<u>0</u>	<u>(17,206)</u>	<u>0</u>
Total Other Financing Sources/(Uses)	<u>(107,771)</u>	<u>0</u>	<u>(17,206)</u>	<u>0</u>
Net Change in Fund Balances	(25,132)	24,860	(9,729)	31,020
Fund Balances - July 1, 2012	<u>316,574</u>	<u>245,734</u>	<u>140,414</u>	<u>10,286</u>
Fund Balances/(Deficit) - June 30, 2013	<u>\$ 291,442</u>	<u>\$ 270,594</u>	<u>\$ 130,685</u>	<u>\$ 41,306</u>

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Milton Public Library Fund	Grant Fund	Village of Milton Fund	Capital Project Fund Road/Sidewalk Restoration Reserve Fund	Permanent Fund West Milton Cemetery Fund	Total
\$ 0	\$ 0	\$ 0	\$ 54,791	\$ 0	\$ 54,791
0	10,169	0	38,084	0	123,400
151	0	0	0	0	132,953
9	0	8	0	2	1,197
1,553	0	0	0	0	1,553
1,713	10,169	8	92,875	2	313,894
0	2,695	10,862	0	0	74,325
0	3,492	0	0	0	5,855
0	0	0	6,997	0	6,997
2,594	45	0	0	0	2,639
0	14,372	0	0	0	14,372
0	0	0	368,962	0	368,962
0	5,800	0	0	0	5,800
2,594	26,404	10,862	375,959	0	478,950
(881)	(16,235)	(10,854)	(283,084)	2	(165,056)
0	0	0	257,000	0	257,000
0	0	0	0	0	(124,977)
0	0	0	257,000	0	132,023
(881)	(16,235)	(10,854)	(26,084)	2	(33,033)
11,227	0	10,854	151,328	7,155	893,572
\$ 10,346	\$ (16,235)	\$ 0	\$ 125,244	\$ 7,157	\$ 860,539

TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
WATER FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Water Rents	\$ 714,078	\$ 714,078	\$ 664,247	\$ (49,831)
Penalties and Interest	11,469	11,469	10,204	(1,265)
Hook - Ups	118,085	118,085	55,310	(62,775)
Interest Earnings	0	0	0	0
Other Financing Sources	1,700	1,700	179	(1,521)
Water Hauler Receipts	3,000	3,000	4,772	1,772
Maintenance - Agreement Receipts	1,300	1,300	1,600	300
Interefund Loan - TIF Fund	580,000	580,000	580,000	0
Total Revenue	<u>1,429,632</u>	<u>1,429,632</u>	<u>1,316,312</u>	<u>(113,320)</u>
Expenses:				
Regular Salaries	124,862	122,262	122,106	156
Overtime Salaries	3,536	6,136	5,358	778
Insurance Buyout	1,900	1,900	1,900	0
Group Health Insurance	20,612	20,612	19,363	1,249
HRA Contribution	8,966	8,966	361	8,605
Group Dental Insurance	3,243	3,243	2,644	599
Group LTD/STD/Vision Insurance	1,591	1,591	1,308	283
Group Life Insurance	780	780	531	249
Social Security	9,969	9,969	9,424	545
Retirement Contribution	6,554	6,554	6,442	112
Workers Compensation	4,100	4,850	4,751	99
Other Employee Benefits	914	914	375	539
Official/Administrative	158,222	158,222	158,222	0
Technical Services	4,125	3,375	1,644	1,731
Water/Sewer	186	186	119	67
Water Purchase - CWD	301,712	332,712	336,623	(3,911)

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
WATER FUND
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenses/(Cont'd):				
Disposal and Refuse	\$ 420	\$ 420	\$ 384	\$ 36
Repair and Maintenance Facility	1,545	1,545	1,202	343
Vehicle Repair and Maintenance	1,675	1,675	1,212	463
Equipment Repair and Maintenance	3,000	3,000	1,107	1,893
Rental of Equipment and Vehicle	300	404	404	0
Construction Services	10,000	6,400	3,767	2,633
Insurance Deductible	1,000	1,000	0	1,000
General Liability Insurance	1,050	1,050	997	53
Vehicle Insurance	1,300	1,300	1,146	154
Property Insurance	1,330	1,630	1,452	178
Communications - Telephone	413	413	388	25
Communications - Other	600	1,319	639	680
Advertising	350	350	102	248
Printing and Binding	4,000	3,075	1,929	1,146
Travel	275	275	0	275
Postage	375	375	28	347
Office Supplies	433	433	105	328
General Supplies	11,000	14,496	14,140	356
Water Meters	15,251	12,451	10,389	2,062
Technology	1,500	1,500	1,072	428
Natural Gas	4,775	4,775	3,767	1,008
Electricity	9,500	12,300	11,699	601
Bottled Gas	50	50	0	50
Diesel Fuel	594	0	0	0
Gasoline	1,932	2,432	3,079	(647)
Books and Periodicals	200	200	0	200
Employee Uniforms	1,502	1,502	869	633

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
WATER FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Expenses/(Cont'd):				
Machinery and Equipment	\$ 4,060	\$ 11,560	\$ 11,551	\$ 9
Vehicles	2,000	2,000	1,803	197
Dues and Fees	1,425	1,425	1,254	171
Professionals Development	2,000	2,000	1,703	297
Small Tools	840	840	63	777
Capital Projects	633,700	595,200	126,935	468,265
Plant Line and Construction Debt	40,423	40,423	40,423	0
Pump and Flanders Debt	25,000	25,000	25,000	0
Interest	26,964	26,732	26,000	732
Other	0	232	232	0
Total Expenses	1,462,054	1,462,054	966,012	496,042
Net Income/(Loss)	\$ (32,422)	\$ (32,422)	350,300	\$ 382,722
Adjustments to Reconcile to GAAP Basis Statements:				
Interfund Loan			(580,000)	
Principal Payments on Debt			65,423	
Purchase of Capital Assets			101,946	
Depreciation			(100,628)	
Change in Net Assets - Exhibit G			\$ (162,959)	

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Rents	\$ 480,554	\$ 480,554	\$ 449,584	\$ (30,970)
Penalties on Rents	6,317	6,317	5,582	(735)
Hookups	114,201	114,201	53,554	(60,647)
Interest Earnings	0	0	54	54
Miscellaneous Income	1,500	1,500	3,750	2,250
Septage Receipts	46,204	46,204	66,553	20,349
Maintenance Agreement Receivable	300	300	350	50
Transfer - TIF Fund	301,458	301,458	301,458	0
Sewer Bond Proceeds	396,000	396,000	2,505,705	2,109,705
Total Revenue	1,346,534	1,346,534	3,386,590	2,040,056
Expenses:				
Regular Salaries	124,862	124,387	122,106	2,281
Overtime Salaries	9,000	9,000	8,059	941
Insurance Buyout	1,900	1,900	1,900	0
Group Health Insurance	20,612	20,612	19,362	1,250
HRA Contribution	8,966	8,966	361	8,605
Group Dental Insurance	3,243	3,243	2,644	599
LTD/STD Group Vision Insurance	1,591	1,591	1,308	283
Group Life Insurance and AD&D	782	782	531	251
Social Security	10,385	10,385	9,586	799
Retirement	6,733	6,733	6,453	280
Worker's Compensation	4,662	5,137	4,931	206
Other Employee Benefits	914	914	375	539
Official/Administrative	158,282	158,282	158,282	0
Technical Services	50,325	48,025	52,112	(4,087)
Water/Sewer	2,709	7,284	5,459	1,825
Disposal and Refuse	4,410	4,410	4,145	265
Repair and Maintenance Facility	5,500	5,500	3,504	1,996
Vehicle Repair and Maintenance	1,675	1,675	1,220	455
Equipment Repair and Maintenance	9,000	12,600	12,168	432

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Expenses/(Cont'd):				
Rental of Land and Buildings	\$ 100	\$ 100	\$ 100	\$ 0
Rental of Equipment and Vehicle	300	300	0	300
Construction Services	18,200	470	72	398
Insurance Deductible	1,000	1,000	0	1,000
General Liability Insurance	2,540	2,540	2,272	268
Vehicle Insurance	625	625	299	326
Property Insurance	8,650	9,420	9,415	5
Communications - Telephone	1,935	2,410	2,196	214
Communications - Other	600	700	639	61
Advertising	350	350	0	350
Printing and Binding	500	500	130	370
Travel	275	275	110	165
Postage and Mailing	700	700	208	492
Office Supplies	433	433	106	327
General Supplies	68,118	68,118	64,307	3,811
Water Meter Purchases	10,167	10,167	6,926	3,241
Technology	1,500	1,500	980	520
Natural Gas	14,700	14,700	12,177	2,523
Electricity	83,558	92,858	93,789	(931)
Bottled Gas	75	75	0	75
Diesel Fuel	2,024	2,024	513	1,511
Gasoline	1,932	3,032	3,079	(47)
Books and Periodicals	200	200	100	100
Employee Uniforms	1,502	1,502	869	633
Land/ROW Purchase	6,000	6,000	0	6,000
Machinery and Equipment	3,550	3,550	1,031	2,519
Vehicles	2,000	2,000	1,804	196
Dues and Fees	890	1,344	1,344	0
Professional Development	2,000	1,656	1,061	595
Small Tools	700	700	0	700
Capital Projects	396,000	396,000	1,842,063	(1,446,063)
SRF Sewer Bond	43,250	43,250	43,250	0
Sewer Upgrade Bond	258,209	258,209	258,209	0
Total Expenses	1,358,134	1,358,134	2,761,555	(1,403,421)

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Net Income/(Loss)	\$ <u>(11,600)</u>	\$ <u>(11,600)</u>	\$ 625,035	\$ <u>636,635</u>
Adjustments to Reconcile to GAAP Basis Statements:				
Sewer Bond Proceeds			(2,505,705)	
State Subsidy on Debt			489,885	
Principal Payments on Debt			301,459	
Depreciation			(215,149)	
Purchase of Capital Assets			<u>1,842,063</u>	
Change in Net Assets - Exhibit G			<u>\$ 537,588</u>	

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