

TOWN OF GREENSBORO, VERMONT

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORTS

JUNE 30, 2021

TOWN OF GREENSBORO, VERMONT

JUNE 30, 2021

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INDEPENDENT AUDITOR'S REPORT

The Select Board
Town of Greensboro, Vermont

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Greensboro, Vermont, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Greensboro, 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 entity'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 entity'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, each major fund, and the aggregate remaining fund information of the Town of Greensboro, Vermont, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 1.M. to the financial statements, in 2021 the Town adopted new accounting guidance, GASBS No 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of proportionate share of the net pension liability and schedule of pension contributions on pages 3 to 7, 27 to 34, 35 and 36, respectively, 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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Greensboro, Vermont's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2021, on our consideration of the Town of Greensboro, Vermont's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Greensboro, Vermont's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Greensboro, Vermont's internal control over financial reporting and compliance.

Pace & Hawley, LLC

TOWN OF GREENSBORO, VERMONT
Management's Discussion and Analysis
June 30, 2021

This discussion and analysis of the Town of Greensboro, Vermont's financial performance provides an overview of the Town's financial activities for the year ended June 30, 2021. Please read it in conjunction with the Town's financial statements.

Financial Highlights

- The Town's governmental activities net position increased by \$205,235 because of this year's operations.
- The General Fund reported a net decrease in fund balance of \$41,689 because of this year's operations.
- The unassigned fund balance for the General Fund was a surplus of \$413,667 as of June 30, 2021.

Overview of the Financial Statements

Management's discussion and analysis introduces the Town's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The government-wide financial statements present a long-term view and are designed to provide the reader with a broad overview of the Town's finances. Governmental fund financial statements report the Town's operations in more detail than the government-wide financial statements by providing information about the Town's most significant funds.

Government-wide Financial Statements

One of the most important questions to ask about the Town's finances: "Is the Town as a whole better off or worse off as a result of the year's activities?" The statement of net position and the statement of activities report information about the Town as a whole and about the activities in a way that helps answer this question. The statements are prepared similar to the private sector using the accrual basis of accounting. Under this basis of accounting, all of the current year's revenues and expenses are reported when earned or incurred regardless of when cash is paid or received.

The statement of net position is used to report all that the entity owns and owes. The difference between the two is reported as net position. This classification of net position is broken into three categories, the first being the portion of net investment in capital assets to indicate that this amount is not accessible for other purposes. A second portion of net position reflects resources not accessible for general use because their use is subject to restrictions enforceable by third parties. Any remaining net position is classified as unrestricted.

The statement of activities is used to report all changes in a Town's net position from one year to another. The statement is presented using a net cost format designed to highlight the portion of each functional activity that must be financed from the Town's own resources. The statement first reports all direct costs associated with each functional activity, then reports dedicated outside resources (program revenues) as a direct reduction to arrive at the programs net cost to the Town.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, not the Town as a whole. Some funds may be required to be established by accounting principles or state law. The Town's Select Board may establish other funds to help them control and manage money for particular purposes, or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies.

TOWN OF GREENSBORO, VERMONT
Management's Discussion and Analysis
June 30, 2021

Governmental Funds - The Town's operations are reported in the governmental funds. These funds place their focus on near-term financing needs. Financial assets include cash as well as other assets that will convert to cash in the course of their ordinary lives. Governmental funds do not report capital assets because such assets will be used in operations rather than be converted to cash, and therefore, are not available to spend. The Town reports four major governmental funds; the General Fund, the Highway Fund, the Capital Budget Fund and the Highway Equipment Reserve Fund.

The Town adopts annual appropriated budgets for its General Fund and Highway Fund. Budgetary comparison schedules have been provided for the General Fund and Highway Fund to demonstrate compliance with these budgets.

Fiduciary Fund – The custodial fund is used to report the receipt and disbursement of statewide education property taxes.

Notes to Financial Statements

Notes to Financial Statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 17.

Financial Analysis of the Government as a Whole

Government-wide Net Position – The following analysis focuses on the net position, and the changes in net position of the Town as a whole. The governmental activities net position of the Town increased from \$3,124,102 to \$3,329,337. The governmental activities unrestricted net position, the part of net position that can be used to finance operations without constraints externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation, stood at \$1,045,995 at June 30, 2021.

The following is a summary of the Town's government-wide net position as of June 30, 2021:

	Governmental Activities	
	2021	2020
Current assets	\$ 1,937,026	\$ 1,750,192
Capital assets, net	<u>2,090,316</u>	<u>2,070,603</u>
Total assets	4,027,342	3,820,795
Deferred outflows	<u>79,822</u>	<u>52,138</u>
Current liabilities	133,739	83,319
Noncurrent liabilities	<u>608,237</u>	<u>626,234</u>
Total liabilities	741,976	709,553
Deferred inflows	<u>35,851</u>	<u>39,278</u>
Net position		
Net investment in capital assets	1,619,639	1,537,091
Restricted	663,703	501,943
Unrestricted	<u>1,045,995</u>	<u>1,085,068</u>
Total net position	\$ <u>3,329,337</u>	\$ <u>3,124,102</u>

Government-wide Statement of Activities – For the year ended June 30, 2021, governmental activities reported total revenues of \$2,050,816 and total expenses of \$1,848,581 resulting in a change in net position of \$205,235.

TOWN OF GREENSBORO, VERMONT
Management's Discussion and Analysis
June 30, 2021

The following is a summary of the Town's governmental activities for the year ended June 30, 2021:

	Governmental Activities	
	2021	2020
Revenues:		
Program revenues:		
Charges for services	\$ 38,632	\$ 41,858
Operating grants and contributions	359,984	300,187
General revenues:		
Property taxes	1,604,595	1,623,738
Investment income	28,335	35,455
Miscellaneous	19,270	13,471
Total revenues	2,050,816	2,014,709
Expenses:		
General government	507,711	464,218
Highway	889,055	962,320
Public safety	392,329	342,877
Solid waste	7,448	6,505
Culture and recreation	9,543	12,127
Cemetery	23,702	23,364
Interest	15,793	18,341
Total expenses	1,845,581	1,829,752
Increase in net position	205,235	184,957
Net position, beginning of year	3,124,102	2,939,145
Net position, end of year	\$ 3,329,337	\$ 3,124,102

Some of the significant changes in governmental activities revenues and expenses were as follows:

- Increases in recording fees and volume of recording, and increased zoning applications and fees.
- Increase in property taxes.
- Miscellaneous revenues include the fire department insurance claim and reimbursement from the state for election expenses.
- Less interest revenue.
- Fewer expenditures in the town hall properties, including no paid custodial staff, less expended in repairs and insurance. Savings were incurred with the prebuy fuel.
- Less expended in town legal fees.
- Due to the pandemic, the recreation budget did not use swimming lesson funds, grant expenditures, or project money.
- Less expended in solid waste payroll and facility improvements.
- Less expended in town hall payroll, due to change in treasurer position. Increases in zoning payroll were offset in planning and zoning through decreased in planning projects and legal fees.

TOWN OF GREENSBORO, VERMONT
Management's Discussion and Analysis
June 30, 2021

Financial Analysis of the Town's Governmental and Fiduciary Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations.

Governmental funds – Governmental fund financial reporting focuses on short-term spendable resources and balances of spendable resources at year-end. The major governmental funds of the Town are the General Fund, Highway Fund, Capital Budget Fund and Highway Equipment Reserve Fund.

As of June 30, 2021, the Town's governmental funds reported combined ending fund balances of \$1,835,430. Of this, \$0 was nonspendable, \$663,703 was restricted, \$804,095 was committed for specific purposes, and \$367,632 was unassigned.

General Fund - The General Fund is the primary operating fund of the Town and supports the majority of the services provided by the Town. Total fund balance of the General Fund as of June 30, 2021, was \$413,667 of which \$413,667 was unassigned. The General Fund had a decrease in fund balance of \$41,689 for the year ended June 30, 2021, compared to a net budgeted decrease in fund balance of \$100,200.

Highway Fund – This special revenue fund is used to account for activity of the Town's highway department. Total fund balance of the Highway Fund as of June 30, 2021, was \$412,180. The entire fund balance was restricted for highway use. The Highway Fund had an increase in fund balance of \$148,433 for the year ended June 30, 2021, compared to a net budgeted change in fund balance of \$0.

Capital Budget Fund – The Capital Budget Fund is used to account for funds committed for non-highway capital projects, capital equipment and related purposes. Total fund balance of the Capital Project Fund as of June 30, 2021, was \$183,176. The Capital Budget Fund had a decrease in fund balance of \$137,235 for the year ended June 30, 2021.

Highway Equipment Reserve Fund – The Highway Equipment Reserve Fund is used to account for funds committed for highway related capital projects, capital equipment or related purposes. Total fund balance of the Highway Equipment Reserve Fund as of June 30, 2021, was \$620,575. The Highway Equipment Reserve Fund had an increase in fund balance of \$184,333 for the year ended June 30, 2021.

Fiduciary Fund – The Custodial Fund is used to for statewide education property taxes. For the year ended June 30, 2021, the Town collected and distributed \$3,852,821 in education property taxes as required by the State of Vermont.

General Fund Budgetary Highlights

The schedule comparing the Town's original budget and actual results are included on pages 27 to 32

For the year ended June 30, 2021, actual General Fund revenues were \$1,184,253 compared to budgeted amounts of \$1,139,724. Differences in actual versus budgeted revenues were primarily the results of the following items:

- Increases in recording fees and volume of recording, and increased zoning applications and fees.
- Increase in property taxes.
- Miscellaneous revenues include the fire department insurance claim and reimbursement from the state for election expenses.
- Less interest revenue.

TOWN OF GREENSBORO, VERMONT
Management's Discussion and Analysis
June 30, 2021

For the year ended June 30, 2021, actual General Fund expenditures and transfers were \$1,225,942 compared to budgeted amounts of \$1,239,924. Differences in actual versus budgeted expenditures were primarily the results of the following items:

- Fewer expenditures in the town hall properties, including no paid custodial staff, less expended in repairs and insurance. Savings were incurred with the prebuy fuel.
- Less expended in town legal fees.
- Due to the pandemic, the recreation budget did not use swimming lesson funds, grant expenditures, or project money.
- Less expended in solid waste payroll and facility improvements.
- Less expended in town hall payroll, due to change in treasurer position. Increases in zoning payroll were offset in planning and zoning through decreased in planning projects and legal fees.

Capital Assets and Debt Administration

Capital assets governmental activities - As of June 30, 2021, the Town had \$2,090,316 net of accumulated depreciation, invested in capital assets including land, infrastructure, buildings and improvements, vehicles and equipment for governmental activities. The amount represents a \$19,713 increase from the prior year. Significant additions to capital assets for the year ended June 30, 2021 were:

- Purchase of 2017 International Tanker for the Fire Department.

Debt governmental activities – As of June 30, 2021, the Town's governmental activities outstanding debt, consisting of notes payable, VMERS net pension liability, and accrued compensated absences was \$663,036, a decrease of \$15,401 over the prior year. There were no new governmental activities debt additions for the year ended June 30, 2021.

Economic Factors and Next Year's Budgets and Rates

The Town's elected and appointed officials considered many factors when setting the fiscal year 2022 budget and tax rates. Some of these factors are the economy, wages and unemployment in the region and the fees charged in other municipalities as well as the capital improvements authorized by voters.

The Select Board recommends a fiscal year 2022 operating expenditure and transfer budget of \$1,954,845. This represents a decrease of 3.2% over the fiscal year 2021 operating expenditure and transfer budget of \$2,020,961.

Request for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to: Town of Greensboro, P.O. Box 119, Greensboro, VT 05841.

TOWN OF GREENSBORO, VERMONT
Statement of Net Position
June 30, 2021

	Governmental Activities
Assets	
Current assets:	
Cash and cash equivalents	\$ 1,912,113
Other assets	24,913
Total current assets	1,937,026
Noncurrent assets:	
Capital assets	3,570,906
(Accumulated depreciation)	(1,480,590)
Total noncurrent assets	2,090,316
Total assets	4,027,342
Deferred outflows of resources	
Pension related - VMERS	79,822
Liabilities	
Current liabilities:	
Accounts payable	45,637
Grant advance	32,991
Other liabilities	312
Note payable, current portion	54,799
Total current liabilities	133,739
Noncurrent liabilities:	
Accrued vacation	2,296
Note payable, less current portion	415,878
Net pension liability - VMERS	190,063
Total noncurrent liabilities	608,237
Total liabilities	741,976
Deferred inflows of resources	
Property taxes received in advance	22,656
Pension related - VMERS	13,195
	35,851
Net position	
Net investment in capital assets	1,619,639
Restricted	663,703
Unrestricted	1,045,995
Total net position	\$ 3,329,337

The accompanying notes are an integral part of these financial statements.

TOWN OF GREENSBORO, VERMONT
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental activities				
General government	\$ 507,711	\$ 26,492	\$ 167,527	\$ (313,692)
Highway	889,055	-	181,931	(707,124)
Public safety	392,329	8,200	-	(384,129)
Solid waste	7,448	-	-	(7,448)
Culture and recreation	9,543	-	9,066	(477)
Cemetery	23,702	3,900	1,500	(18,302)
Interest expense	15,793	-	-	(15,793)
Total governmental activities	\$ 1,845,581	\$ 38,592	\$ 360,024	(1,446,965)
General revenues				
				1,604,595
				28,335
				19,270
				1,652,200
				Change in net position 205,235
				Net position, beginning of year 3,124,102
				Net position, end of year \$ 3,329,337

The accompanying notes are an integral part of these financial statements.

TOWN OF GREENSBORO, VERMONT
Balance Sheet - Governmental Funds
June 30, 2021

	General Fund	Highway Fund	Capital Budget Fund	Highway Equipment Reserve Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 767,926	\$ -	\$ 295,774	\$ 688,393	\$ 160,020	\$ 1,912,113
Due from other funds	-	412,180	-	-	87,734	499,914
Other assets	<u>24,913</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,913</u>
Total assets	<u>\$ 792,839</u>	<u>\$ 412,180</u>	<u>\$ 295,774</u>	<u>\$ 688,393</u>	<u>\$ 247,754</u>	<u>\$ 2,436,940</u>
Liabilities, deferred inflows of resources and fund balances						
Liabilities:						
Accounts payable	\$ 36,706	\$ -	\$ -	\$ -	\$ 8,931	\$ 45,637
Grant advance	-	-	-	-	32,991	32,991
Other liabilities	312	-	-	-	-	312
Due to other funds	<u>319,498</u>	<u>-</u>	<u>112,598</u>	<u>67,818</u>	<u>-</u>	<u>499,914</u>
Total liabilities	<u>356,516</u>	<u>-</u>	<u>112,598</u>	<u>67,818</u>	<u>41,922</u>	<u>578,854</u>
Deferred inflows of resources:						
Property taxes received in advance	<u>22,656</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,656</u>
Fund balance:						
Restricted	-	412,180	-	-	251,523	663,703
Committed	-	-	183,176	620,575	344	804,095
Unassigned	<u>413,667</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(46,035)</u>	<u>367,632</u>
Total fund balance	<u>413,667</u>	<u>412,180</u>	<u>183,176</u>	<u>620,575</u>	<u>205,832</u>	<u>1,835,430</u>
Total liabilities and fund balances	<u>\$ 792,839</u>	<u>\$ 412,180</u>	<u>\$ 295,774</u>	<u>\$ 688,393</u>	<u>\$ 247,754</u>	<u>\$ 2,436,940</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF GREENSBORO, VERMONT
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2021

Total fund balances - governmental funds	\$	1,835,430
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Amounts reported for governmental activities in the government-wide statement of net position are different because:

Capital assets used in governmental funds are not current financial resources, and therefore, are not reported in the governmental funds balance sheet:

Capital assets		3,570,906
Accumulated depreciation		(1,480,590)

Deferred outflows of resources, deferred inflows of resources and the net pension liability related to the Town's proportionate share of the VMERS pension plan are not reported in the governmental funds balance sheet		(123,436)
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Liabilities not due and payable in the year are not reported in the governmental funds:		
Accrued vacation		(2,296)
Note payable		<u>(470,677)</u>

Net position - governmental activities	\$	<u>3,329,337</u>
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The accompanying notes are an integral part of these financial statements.

TOWN OF GREENSBORO, VERMONT
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds
For the Year Ended June 30, 2021
(Page 1 of 2)

	General Fund	Highway Fund	Capital Budget Fund	Highway Equipment Reserve Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 950,352	\$ 652,945	\$ -	\$ -	\$ -	\$ 1,603,297
Interest on delinquent taxes	1,298	-	-	-	-	1,298
Licenses and permits	9,550	-	-	-	-	9,550
Intergovernmental	157,061	184,193	-	-	17,230	358,484
Charges for services	23,672	-	-	-	5,410	29,082
Interest	23,341	-	-	3,359	1,635	28,335
Donations	-	-	-	-	1,500	1,500
Miscellaneous	18,979	-	-	-	291	19,270
Total revenues	<u>1,184,253</u>	<u>837,138</u>	<u>-</u>	<u>3,359</u>	<u>26,066</u>	<u>2,050,816</u>
Expenditures						
Current:						
General government	422,880	-	16,321	845	55,819	495,865
Highways, streets and bridges	133,176	636,886	-	-	-	770,062
Public safety	346,948	-	3,963	-	-	350,911
Solid waste	7,448	-	-	-	-	7,448
Culture and recreation	6,413	-	-	-	2,530	8,943
Cemetery	22,502	-	-	-	1,200	23,702
Capital outlay	-	-	168,346	-	-	168,346
Debt service - principal	-	-	62,835	-	-	62,835
Debt service - interest	-	-	15,793	-	-	15,793
Total expenditures	<u>939,367</u>	<u>636,886</u>	<u>267,258</u>	<u>845</u>	<u>59,549</u>	<u>1,903,905</u>
Excess of revenues or (expenditures) (continued)	244,886	200,252	(267,258)	2,514	(33,483)	146,911

The accompanying notes are an integral part of these financial statements.

TOWN OF GREENSBORO, VERMONT
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds
For the Year Ended June 30, 2021
(Page 2 of 2)

	<u>General Fund</u>	<u>Highway Fund</u>	<u>Capital Budget Fund</u>	<u>Highway Equipment Reserve Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<i>(continued)</i>						
Other financing sources (uses)						
Transfers in (out)	<u>(286,575)</u>	<u>(51,819)</u>	<u>130,023</u>	<u>181,819</u>	<u>26,552</u>	<u>-</u>
Net change in fund balances	(41,689)	148,433	(137,235)	184,333	(6,931)	146,911
Fund balances, beginning of year	<u>455,356</u>	<u>263,747</u>	<u>320,411</u>	<u>436,242</u>	<u>212,763</u>	<u>1,688,519</u>
Fund balances, end of year	\$ <u>413,667</u>	\$ <u>412,180</u>	\$ <u>183,176</u>	\$ <u>620,575</u>	\$ <u>205,832</u>	\$ <u>1,835,430</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF GREENSBORO, 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, 2021

Net change in fund balances - governmental funds	\$	146,911
<p>Amounts reported for governmental activities in the government-wide statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives:</p>		
Expenditures for capital assets		168,346
Less: depreciation		(148,633)
<p>The Town's contribution to VMERS is recorded as an expenditure in the governmental funds. However, in the statement of activities, pension expense is actuarially determined.</p>		
		(24,224)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds:</p>		
Principal payments on note payable		<u>62,835</u>
Change in net position - governmental activities	\$	<u>205,235</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF GREENSBORO, VERMONT
Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2021

	<u>Custodial Fund</u>
Assets	
Due from other governments	\$ <u> -</u>
Liabilities	
Due to governmental activities	<u> -</u>
Net position	\$ <u><u> -</u></u>

The accompanying notes are an integral part of these financial statements.

TOWN OF GREENSBORO, VERMONT
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
June 30, 2021

	Custodial Fund
Additions	
Statewide education taxes collected for other governments	\$ <u>3,852,821</u>
Deductions	
Statewide education taxes paid to other governments	<u>3,852,821</u>
Change in net position	-
Net position, beginning of year	<u>-</u>
Net position, end of year	\$ <u>-</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF GREENSBORO, VERMONT
Notes to Financial Statements
June 30, 2021

1. Summary of significant accounting policies

The Town of Greensboro, Vermont (the Town) was chartered in 1781 under the provisions of the State of Vermont. The Town operates under a Board of Selectmen form of government and provides the following services as authorized by its charter: public safety, streets and highways, public improvements, planning and zoning, and general administrative services.

The Governmental Accounting and Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements of the Town have been prepared in conformity with generally accepted accounting principles as applied to governmental entities. The following is a summary of the Town's more significant accounting policies:

A. Reporting entity - The Town is a primary unit of government under reporting criteria established by the GASB. In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units and evaluated them against the criteria established by the GASB. Based on these criteria, there are no other entities that are considered to be component units of the Town that should be included in these financial statements.

B. Basis of presentation

Fund accounting: The accounts of the Town are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Government-wide statements: The Statement of Net Position and the Statement of Activities present financial information about the Town's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. The effect of interfund activity has been removed from these statements.

Fund financial statements: Fund financial statements are presented according to each fund category; governmental and fiduciary. Separate financial statements are provided for each of these categories. Major governmental funds are reported as separate columns in the fund financial statements. All remaining funds are aggregated and reported as nonmajor funds.

The Town reports the following major funds:

Governmental funds:

General Fund - This fund is used to account for the primary activity of the Town. Property tax revenues and other sources of revenue used to finance the fundamental operations of the Town are included in this fund. This fund is charged with all costs of operating the government for which a separate fund has not been established.

Highway Fund - This special revenue fund is used to account for activity related to the Town's highway department.

Capital Budget Fund - This capital project fund is used to account for assets that have been committed, by taxpayer approved articles, for non-highway capital equipment purchases and projects.

Highway Equipment Reserve Fund - This capital project fund is used to account for assets that have been committed, by taxpayer approved articles, for highway capital equipment and projects.

The Town also reports fiduciary activities in a custodial fund used to report statewide education property taxes collected on behalf of the State of Vermont and paid to other governments.

TOWN OF GREENSBORO, VERMONT
Notes to Financial Statements
June 30, 2021

1. Summary of significant accounting policies (continued)

- C. Measurement focus and basis of accounting - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. Measurement focus refers to what items are reported on the financial statements. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this model, revenues are recognized when both measurable and available for use. Expenditures are recorded when the liability has occurred, if measurable. Measurable means that the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Town considers property tax revenues to be available if they are collected within 60 days of the end of the fiscal year and other revenues to be available if they are collected within 6 months of the end of the fiscal year. Expenditures related to principal and interest on general long-term debt that has not matured, compensated absences, and claims and judgments are recorded only when payment is due.

Fiduciary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Additions are recorded when they occur and deductions when a liability has occurred, regardless of the related cash flows.

- D. Governmental fund equity - In the fund financial statements, governmental fund balance is presented in five possible categories:

Nonspendable – Resources which cannot be spent because they are either a) not in spendable form; or b) legally or contractually required to be maintained intact.

Restricted – Resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed – Resources which are subject to limitations the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner. For the purposes of defining the committed fund balance category, the Town considers the taxpayers, through voted Town Articles, its highest level of decision-making authority.

Assigned – Resources neither restricted nor committed for which a government has a stated intended use as established by the Select Board or a body or official to which the Select Board has delegated the authority to assign amounts for specific purposes.

Unassigned – Resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include any negative residual balance resulting from expenditures exceeded amounts restricted, committed or assigned for a specific purpose.

For the classification of governmental fund balances, the Town does not have a formal policy regarding which classification should be reduced first when more than one classification is available. However, the Town has generally considered an expenditure to be made from the most restrictive first when more than one classification is available.

TOWN OF GREENSBORO, VERMONT
Notes to Financial Statements
June 30, 2021

1. Summary of significant accounting policies (continued)

For the classification of net position, the Town does not have a formal policy regarding which classification should be reduced first when more than one classification is available. However, the Town has generally considered an expense to be made from the most restrictive first when more than one classification is available.

- E. Budgetary accounting - The operating budgets of the General Fund and Highway Fund are prepared by the Town on the modified accrual basis of accounting. The budget is approved at Town Meeting and the Select Board sets the municipal property tax rate based on the grand list and approved budget.
- F. Estimates - The preparation of the financial statements require 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, expenditures, or expenses, during the reported period. Actual results could differ from those estimates.
- G. Cash and cash equivalents - Cash and cash equivalents consists of cash, non-negotiable certificates of deposit and short-term investments with an original maturity of three months or less.
- H. Receivables - The Town has not recorded an allowance for doubtful accounts. Management estimates that all receivables are collectible.
- I. Interfund balances and transfers - Interfund receivables and payables represent transactions incurred within the fund for other funds. These accounts are expected to be eliminated in the normal course of operations. Interfund transfers represent the flow of cash or goods from one fund to another without a requirement for repayment.
- J. Deferred outflows/inflows of resources - In addition to assets and liabilities, deferred outflows of resources and deferred inflows of resources, if applicable, are reported as separate sections in the Government-wide Statement of Net Position and the Balance Sheet - Governmental Funds. Deferred outflows of resources represent a consumption of net assets that is applicable to a future reporting period. Deferred inflows of resources represent the current acquisition of net assets that is applicable to a future reporting period.
- K. Property tax calendar - Property taxes attach as an enforceable lien on property as of April 1st. Property taxes for fiscal year 2021 were payable in one installment due on November 5, 2020. Taxes not paid by the installment due date were declared delinquent and turned over to the Delinquent Tax Collector.
- L. Capital Assets- Capital assets, which include property, plant, equipment, and infrastructure are reported in the government-wide statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The Town does not have a formal policy establishing criteria above which assets are capitalized. However, major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Donated capital assets are recorded at acquisition value at the date of donation. The Town began reporting capital assets for the year ended June 30, 2014. The Town did not retroactively report infrastructure assets for prior years. Capital assets of the Town are depreciated using the straight-line method over the following useful lives:

Building and improvements	50 years
Equipment, machinery, and vehicles	10 - 15 years
Infrastructure	50 years

- M. New Accounting Standard - The Town has implemented GASB 84, *Fiduciary Activities*, for the year ended June 30, 2021. The effect on these financial statements is to report Statewide Education Property Taxes collected on behalf of the State of Vermont and paid to other governments as a fiduciary activity custodial fund.

TOWN OF GREENSBORO, VERMONT
Notes to Financial Statements
June 30, 2021

2. Cash

As of June 30, 2021, the Town's bank balance was \$1,915,786. The corresponding carrying amount of the Town's cash was \$1,912,113. Of the Town's total bank balance, \$500,000 was covered by the FDIC and \$1,451,786 was covered through participation in a public unit deposit and backed by a letter of credit from the Federal Home Loan Bank of Boston.

Custodial credit risk - Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits might not be recovered. The Town does not have a formal deposit policy for custodial credit risk.

3. Long-term liabilities

Long-term liabilities consisted of the following as of June 30, 2021:

Community National Bank, fire station note payable, interest at 2.02%, principal and interest of \$64,307 due annually until October 2028	\$ 470,677
Net pension liability - VMERS	190,063
Accrued vacation	<u>2,296</u>
	<u>\$ 663,036</u>

Changes in long-term liabilities for the year ended June 30, 2021, were as follows:

	Balance July 1, <u>2020</u>	<u>Additions</u>	<u>Retirements</u>	Balance June 30, <u>2021</u>	Due Within <u>One Year</u>
Governmental activities:					
Note from direct borrowing	\$ 533,512	\$ -	\$ 62,835	\$ 470,677	\$ 54,799
Net pension liability - VMERS	142,629	47,434	-	190,063	-
Accrued vacation	<u>2,296</u>	<u>-</u>	<u>-</u>	<u>2,296</u>	<u>-</u>
	<u>\$ 678,437</u>	<u>\$ 47,434</u>	<u>\$ 62,835</u>	<u>\$ 663,036</u>	<u>\$ 54,799</u>

Annual maturities of long-term notes payable as of June 30, 2021, were as follows:

Year ending June 30,	<u>Notes from Direct Borrowings</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 54,799	\$ 9,508
2023	55,906	8,401
2024	57,035	7,272
2025	28,188	6,119
2026	59,363	4,944
2027-2029	<u>185,386</u>	<u>7,540</u>
	<u>\$ 440,677</u>	<u>\$ 43,784</u>

TOWN OF GREENSBORO, VERMONT
Notes to Financial Statements
June 30, 2021

4. Interfund balances

Interfund receivable and payable balances as of June 30, 2021 were as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ -	\$ 319,498
Highway Fund	412,180	-
Capital Budget Fund	-	112,598
Highway Equipment Reserve Fund	-	67,818
Nonmajor Governmental Funds	87,734	-
	<u>\$ 499,914</u>	<u>\$ 499,914</u>

The interfund payable from the General Fund to the Highway Fund is the result of pooling cash in a common bank account.

5. Interfund transfers

Interfund transfers for the year ended June 30, 2021, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 286,575
Highway Fund	-	51,819
Capital Budget Fund	130,023	-
Highway Equipment Reserve Fund	181,819	-
Nonmajor Governmental Funds	26,552	-
	<u>\$ 338,394</u>	<u>\$ 338,394</u>

Transfers out of the General Fund to the Capital Budget Fund, Highway Equipment Reserve Fund and Nonmajor Governmental Funds were due to voter approved articles and budget appropriations which committed amounts for specific purposes and additionally to eliminate the deficit in the non-major Fire Station Fund.

6. Risk management

The Town is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Town manages these risks through commercial insurance packages and participation in public entity risk pools covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured loss to the Town.

TOWN OF GREENSBORO, VERMONT
Notes to Financial Statements
June 30, 2021

7. Pension plan – Vermont Municipal Employees’ Retirement System

Plan description – The Vermont Municipal Employees’ Retirement System (VMERS) is a cost-sharing, multiple-employer defined benefit pension plan that is administered by the Vermont State Treasurer and its Board of Trustees. The plan was established effective July 1, 1975. The State statutory provisions, found in Title 24, V.S.A. Chapter 125, govern eligibility for benefits, service requirements, contribution requirements and benefit provisions. The general administration and responsibility for formulating administrative policy and procedures of the retirement System for its members and their beneficiaries is vested in the Board of Trustees. All assets are held in a single trust and are available to pay retirement benefits to all members. VMERS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont’s Comprehensive Annual Financial Report (CAFR). The CAFR can be viewed on the State of Vermont’s Department of Finance and Management’s website.

Benefits – Full-time employees of participating municipalities are covered under VMERS. Municipalities elect coverage under Groups A, B, C or D provisions. VMERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are based on average final compensation, years of creditable service, age upon retirement, and on the benefit structure of the Group. Vesting occurs upon the attainment of five years of creditable service.

Contributions – Municipal employees participating in the plan were required to contribute 3.000%, 5.375%, 10.500%, and 11.850% of gross wages for Groups A, B, C and D, respectively, for the year ended June 30, 2021. Municipal employers were required to contribute 4.500%, 6.000%, 7.750%, and 10.350% of gross wages for Groups A, B, C and D, respectively, for the year ended June 30, 2021.

Employees of the Town are covered under Group C. Town employees contributed \$22,537 to VMERS for the year ended June 30, 2021. The Town contributed \$16,636 to VMERS for the year ended June 30, 2021.

The State of Vermont has provided the following information to all employers participating in VMERS; net pension liability, each Town’s proportionate share of the net pension liability, expected rate of return on investments and discount rates. The information specific to the Town is based on its proportionate share of VMERS relative to all participating employers. Actuarial reports and schedules of employer allocations can be obtained by visiting the office of the Vermont State Treasurer at the following internet address: www.vermonttreasurer.gov.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions – As of June 30, 2021, the Town reported a liability of \$190,063 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The Town’s proportion of the net pension liability was based on the Town’s proportionate share of employer contributions to the total contributions to VMERS during the fiscal year. As of the June 30, 2020, measurement date, the Town’s proportion was 0.07513%, which was a decrease of 0.00708% from its proportion measured as of June 30, 2019.

TOWN OF GREENSBORO, VERMONT
Notes to Financial Statements
June 30, 2021

7. Pension plan – Vermont Municipal Employees’ Retirement System (continued)

For the year ended June 30, 2021, the Town recognized pension expense of \$40,858, related to VMERS. As of June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to VMERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 17,117	\$ 563
Changes in assumptions	25,481	-
Difference between projected and actual earnings on pension plan investments	18,178	-
Changes in proportional share of contributions	2,411	12,632
Town contributions subsequent to the measurement date	16,635	-
	<u>\$ 79,822</u>	<u>\$ 13,195</u>

\$16,635 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized in pension expense over a period of five years.

Actuarial assumptions – The total pension liability, measured as of June 30, 2020, was based on a June 30, 2019, actuarial valuation using the following actuarial assumptions: investment rate of return 7.00%, salary increases: varying, inflation 2.30%, cost of living adjustments 0.40% to 1.20%. Mortality rates were based on Scale MP-2019.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of the June 30, 2020, measurement date, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Global equity	29.00%	7.07%
US equity - large cap	4.00%	6.19%
US equity - small/mid cap	3.00%	6.93%
Non-US equity - large cap	5.00%	7.01%
Non-US equity - small cap	2.00%	7.66%
Emerging markets debt	4.00%	3.66%
Core bond	20.00%	0.39%
Private & alternate credit	10.00%	6.03%
US Tips	3.00%	-0.20%
Core real estate	5.00%	4.06%
Non-core real estate	3.00%	6.43%
Private equity	10.00%	11.27%
Infrastructure/farmland	<u>2.00%</u>	5.44%
	100.00%	

TOWN OF GREENSBORO, VERMONT
Notes to Financial Statements
June 30, 2021

7. Pension plan – Vermont Municipal Employees’ Retirement System (continued)

Discount rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions would continue to be made in accordance with the current funding policy at the rates set by the Board of Trustees.

The following presents the Town’s proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Town’s proportionate share would be if it were calculated using a discount rate that is one percent lower (6.00%) or one percent higher (8.00%) than the current rate:

	<u>1 % Decrease</u> <u>(6.00%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(7.00%)</u>	<u>1 % Increase</u> <u>(8.00%)</u>
Town's proportionate share of the net pension liability	\$ 290,377	\$ 190,063	\$ 107,525

8. Capital assets

Changes in governmental activities capital assets consisted of the following:

	<u>Balance</u> <u>July 1,</u> <u>2020</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>June 30,</u> <u>2021</u>
Capital assets, not depreciated				
Land	\$ 300,346	\$ -	\$ -	\$ 300,346
Capital assets, depreciated				
Infrastructure	133,206	-	-	133,206
Buildings & improvements	1,217,344	-	-	1,217,344
Equipment, machinery and vehicles	1,609,664	168,346	-	1,778,010
	<u>2,960,214</u>	<u>168,346</u>	<u>-</u>	<u>3,128,560</u>
Capital assets, depleted				
Gravel pit	142,000	-	-	142,000
Less: accumulated depreciation and depletion				
Infrastructure	5,328	2,664	-	7,992
Buildings & improvements	375,145	23,173	-	398,318
Equipment, machinery and vehicles	915,276	120,903	-	1,036,179
Gravel pit	36,208	1,893	-	38,101
	<u>1,331,957</u>	<u>148,633</u>	<u>-</u>	<u>1,480,590</u>
Total capital assets depreciated and depleted, net	<u>1,770,257</u>	<u>19,713</u>	<u>-</u>	<u>1,789,970</u>
Capital assets, net, governmental activities	\$ <u>2,070,603</u>	\$ <u>19,713</u>	\$ <u>-</u>	\$ <u>2,090,316</u>

Depreciation expense in the governmental activities totaling \$148,633 was allocated to the following functions: general government \$5,790, public safety \$41,418, highways and streets \$100,825 and library \$600.

TOWN OF GREENSBORO, VERMONT
Notes to Financial Statements
June 30, 2021

9. Governmental fund equity

As of June 30, 2021, governmental fund balances consisted of the following:

	<u>General Fund</u>	<u>Highway Fund</u>	<u>Capital Budget Fund</u>	<u>Hwy Equip Reserve Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Funds</u>
Restricted for:						
Lake Eligo milfoil	\$ -	\$ -	\$ -	\$ -	\$ 17,395	\$ 17,395
Greensboro Grange	-	-	-	-	1,193	1,193
Energy committee	-	-	-	-	6,381	6,381
Our community park	-	-	-	-	3,720	3,720
Reappraisal	-	-	-	-	116,197	116,197
Recreation	-	-	-	-	4,651	4,651
Restoration of records	-	-	-	-	49,652	49,652
Tolman Fund - ball field	-	-	-	-	490	490
Caspian Lake beach	-	-	-	-	5,739	5,739
Caspian milfoil	-	-	-	-	16	16
Community project	-	-	-	-	364	364
Highway	-	412,180	-	-	-	412,180
Cemetery	-	-	-	-	45,725	45,725
	<u>-</u>	<u>412,180</u>	<u>-</u>	<u>-</u>	<u>251,523</u>	<u>663,703</u>
Committed for:						
Capital assets	-	-	183,176	-	-	183,176
Highway capital assets	-	-	-	620,575	-	620,575
Findlay Forest	-	-	-	-	309	309
Conservation Comm.	-	-	-	-	35	35
	<u>-</u>	<u>-</u>	<u>183,176</u>	<u>620,575</u>	<u>344</u>	<u>804,095</u>
Unassigned	413,667	-	-	-	(46,035)	367,632
	<u>\$ 413,667</u>	<u>\$ 412,180</u>	<u>\$ 183,176</u>	<u>\$ 620,575</u>	<u>\$ 205,832</u>	<u>\$ 1,835,430</u>

10. Governmental activities net position

As of June 30, 2021, governmental activities restricted net position consisted of the following:

	<u>Restricted Net Position</u>
Lake Eligo milfoil	\$ 17,395
Greensboro Grange	1,193
Energy committee	6,381
Our community park	3,720
Reappraisal	116,197
Recreation	4,651
Restoration of records	49,652
Tolman Fund - ball field	490
Caspian Lake beach	5,739
Caspian milfoil	16
Community project	364
Cemetery	45,725
Highway	<u>412,180</u>
	<u>\$ 663,703</u>

TOWN OF GREENSBORO, VERMONT
Notes to Financial Statements
June 30, 2021

11. Commitments

Plowing Services Contract - The Town has a contract with Brian Perry & Sons Construction, Inc, to plow all driveways for Town residents who request such services through May 1, 2022. The contract specifies payments for these services will be \$136,418 for the fiscal year ending June 30, 2022. For the year ended June 30, 2021, the town paid Brian Perry & Sons \$133,176 for these services.

12. Northeast Kingdom Waste Management District

The Town is a participating member in the Northeast Kingdom Waste Management District (the District); which is a union municipal district that exists to cooperatively and comprehensively address the solid waste management interest of its 49-member towns. The District is governed by a Board of Supervisors composed of one representative from each of the participating municipalities. The District has primary liability for its future obligations, including operating costs and debt service. Municipalities have contingent liability through membership in the District.

13. Deficit fund balance

The Town anticipates eliminating the June 30, 2021, fund deficit in the Greater Greensboro Fund of \$46,035 by receiving grant proceeds in future years.

TOWN OF GREENSBORO, VERMONT
Schedule of Revenues and Expenditures
Budget and Actual - General Fund
For the Year Ended June 30, 2021
(Page 1 of 6)

	Original Budget	Amended Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Property taxes	\$ 940,115	\$ 940,115	\$ 950,352	\$ 10,237
Interest on delinquent taxes	-	-	1,298	1,298
Licenses and permits	8,182	8,182	9,550	1,368
Intergovernmental	146,373	146,373	157,061	10,688
Charges for services	18,759	18,759	23,672	4,913
Interest	26,295	26,295	23,341	(2,954)
Miscellaneous	-	-	18,979	18,979
Total revenues	<u>1,139,724</u>	<u>1,139,724</u>	<u>1,184,253</u>	<u>44,529</u>
Expenditures				
Town Clerk's office				
Payroll	95,213	95,213	85,003	10,210
FICA/MEDI	5,261	5,261	6,815	(1,554)
Retirement	4,620	4,620	4,150	470
Health insurance	8,335	8,335	8,523	(188)
Health reimbursement account	3,250	3,250	1,586	1,664
Unemployment	1,575	1,575	1,300	275
Unemployment - Library	1,292	1,292	443	849
Workers' compensation	500	500	322	178
Workers' compensation - Library	500	500	333	167
Office training	500	500	620	(120)
Employee miscellaneous	500	500	100	400
Total Town Clerk's office	<u>121,546</u>	<u>121,546</u>	<u>109,195</u>	<u>12,351</u>
Select Board				
Payroll	5,000	5,000	4,000	1,000
Clerk payroll	4,135	4,135	3,245	890
FICA/MEDI	383	383	230	153
Clerk FICA/MEDI	316	316	235	81
Training	250	250	16	234
Miscellaneous	250	250	344	(94)
Total Select Board	<u>10,334</u>	<u>10,334</u>	<u>8,070</u>	<u>2,264</u>
General				
Technology / IT	1,500	1,500	3,438	(1,938)
Software licenses	6,000	6,000	3,241	2,759
Office supplies	5,000	5,000	2,842	2,158
Telephone	3,400	3,400	3,713	(313)
Telephone - Library	1,800	1,800	985	815
Telephone - Historical Society	1,000	1,000	892	108
Postage	2,500	2,500	3,356	(856)
Interest	1,000	1,000	-	1,000
Miscellaneous	500	500	836	(336)
Copiers	3,000	3,000	1,951	1,049
Mileage reimbursement	500	500	-	500
NEMRC software support	4,000	4,000	4,958	(958)
NEMRC annual support	600	600	-	600

continued

TOWN OF GREENSBORO, VERMONT
Schedule of Revenues and Expenditures
Budget and Actual - General Fund
For the Year Ended June 30, 2021
(Page 2 of 6)

	Original Budget	Amended Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
<i>continued</i>				
County tax	38,000	38,000	40,285	(2,285)
Dues - VT League of Cities & Towns	2,013	2,013	2,013	-
Notices	1,000	1,000	468	532
4th of July	4,000	4,000	6,000	(2,000)
Town Report	1,000	1,000	1,058	(58)
Bank fees	100	100	-	100
Election payroll	600	600	194	406
FICA/MEDI	50	50	15	35
Total general	<u>77,563</u>	<u>77,563</u>	<u>76,245</u>	<u>1,318</u>
Elections				
Town Meeting	300	300	29	271
Elections	1,200	1,200	1,699	(499)
Total elections	<u>1,500</u>	<u>1,500</u>	<u>1,728</u>	<u>(228)</u>
Planning and zoning				
Zoning - payroll	10,002	10,002	17,878	(7,876)
Zoning - FICA/MEDI	765	765	1,408	(643)
DRB Clerk - payroll	230	230	90	140
Planning - FICA/MEDI	3,000	3,000	1,181	1,819
Training	500	500	180	320
Planning - postage	150	150	158	(8)
Zoning - postage	50	50	60	(10)
Miscellaneous	2,000	2,000	42	1,958
Mileage	100	100	-	100
Planning - notices	500	500	1,032	(532)
Zoning - notices	500	500	735	(235)
Legal fees	5,000	5,000	8,851	(3,851)
Planning members	1,500	1,500	-	1,500
DRB stipends	1,500	1,500	1,440	60
Planning projects	6,500	6,500	197	6,303
Total planning and zoning	<u>32,297</u>	<u>32,297</u>	<u>33,252</u>	<u>(955)</u>
Listers				
Postage	100	100	25	75
NEMRC	670	670	488	182
NEMRC - Disaster recovery	650	650	735	(85)
Assessor	13,000	13,000	22,750	(9,750)
Total listers	<u>14,420</u>	<u>14,420</u>	<u>23,998</u>	<u>(9,578)</u>
Delinquent Tax Collector				
FICA/MEDI	1,300	1,300	1,512	(212)
Dog Warden				
Stipend	1,250	1,250	1,250	-
FICA/MEDI	50	50	96	(46)
Total Dog Warden	<u>1,300</u>	<u>1,300</u>	<u>1,346</u>	<u>(46)</u>
<i>continued</i>				

TOWN OF GREENSBORO, VERMONT
Schedule of Revenues and Expenditures
Budget and Actual - General Fund
For the Year Ended June 30, 2021
(Page 3 of 6)

	Original Budget	Amended Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
<i>continued</i>				
Town Hall and properties				
Custodian	2,500	2,500	111	2,389
Assistant custodian	1,150	1,150	-	1,150
Custodian - FICA/MEDI	290	290	9	281
Assistant custodian - FICA/MEDI	100	100	-	100
Repairs and maintenance	5,000	5,000	3,053	1,947
Custodial supplies	800	800	212	588
Heating fuel	6,000	6,000	4,175	1,825
Contracted services	700	700	813	(113)
Electric - Town Hall	4,400	4,400	2,707	1,693
Electric - playground	500	500	391	109
Street lights	5,000	5,000	4,652	348
Village Green	100	100	29	71
Electric - Grange	205	205	110	95
Water bill	1,700	1,700	1,700	-
Generator	800	800	801	(1)
Grounds	8,000	8,000	2,795	5,205
Insurance - Town Hall	12,000	12,000	7,452	4,548
Insurance - Historical Society	1,700	1,700	1,112	588
Insurance - Library	4,700	4,700	3,060	1,640
Insurance - Greensboro Grange	400	400	275	125
Rubbish removal	1,200	1,200	1,660	(460)
Trash - Greensboro Bend park	100	100	-	100
Total Town Hall and properties	<u>57,345</u>	<u>57,345</u>	<u>35,117</u>	<u>22,228</u>
Caspian Beach				
Beach maintenance	2,500	2,500	3,148	(648)
Beach projects	2,450	2,450	2,374	76
Total Caspian Beach	<u>4,950</u>	<u>4,950</u>	<u>5,522</u>	<u>(572)</u>
Recreation				
Swim lessons payroll	900	900	-	900
Swim lessons FICA/MEDI	69	69	-	69
Recreation committee	2,000	2,000	890	1,110
Recreation grant expenditures	1,500	1,500	-	1,500
Facilities	600	600	-	600
Total recreation	<u>5,069</u>	<u>5,069</u>	<u>890</u>	<u>4,179</u>
Police				
Insurance - Constables	500	500	451	49
Police services	267,938	267,938	267,938	-
Dispatch	29,436	29,436	18,690	10,746
Total police	<u>297,874</u>	<u>297,874</u>	<u>287,079</u>	<u>10,795</u>
<i>continued</i>				

TOWN OF GREENSBORO, VERMONT
Schedule of Revenues and Expenditures
Budget and Actual - General Fund
For the Year Ended June 30, 2021
(Page 4 of 6)

	Original Budget	Amended Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
<i>continued</i>				
Services				
Driveway plowing	130,000	130,000	129,676	324
Plowing Lake Road	<u>3,500</u>	<u>3,500</u>	<u>3,500</u>	<u>-</u>
Total services	<u>133,500</u>	<u>133,500</u>	<u>133,176</u>	<u>324</u>
Professional fees				
Audit	8,650	8,650	8,650	-
Legal	5,000	5,000	612	4,388
Mapping	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total professional fees	<u>15,650</u>	<u>15,650</u>	<u>9,262</u>	<u>6,388</u>
Fire department				
Payroll	9,000	9,000	11,047	(2,047)
FICA/MEDI	700	700	672	28
Workers' compensation	1,500	1,500	1,219	281
Dues/education	800	800	634	166
Federal mandates	600	600	-	600
Ads/notices	500	500	254	246
IT and software	1,700	1,700	1,845	(145)
Telephone	2,000	2,000	2,273	(273)
Firehouse - maintenance	1,500	1,500	601	899
Firehouse - garbage	100	100	-	100
Heating fuel	4,000	4,000	3,710	290
Electricity	1,200	1,200	1,426	(226)
Property and casualty insurance	6,000	6,000	4,345	1,655
Dispatch	9,000	9,000	5,902	3,098
Equipment fuel	800	800	1,090	(290)
Equipment repairs	1,500	1,500	2,043	(543)
New equipment	5,000	5,000	14,240	(9,240)
Radio replacement/repairs	1,000	1,000	102	898
Custodial supplies	200	200	205	(5)
Truck repair	<u>5,000</u>	<u>5,000</u>	<u>8,261</u>	<u>(3,261)</u>
Total fire department	<u>52,100</u>	<u>52,100</u>	<u>59,869</u>	<u>(7,769)</u>
Cemetery				
Payroll	550	550	550	-
FICA/MEDI	23	23	42	(19)
Cemetery maintenance	13,000	13,000	11,500	1,500
Cemetery projects	7,000	7,000	10,100	(3,100)
Corner stones	50	50	310	(260)
Flags/miscellaneous	<u>250</u>	<u>250</u>	<u>-</u>	<u>250</u>
Total cemetery	<u>20,873</u>	<u>20,873</u>	<u>22,502</u>	<u>(1,629)</u>
Caspian milfoil				
Payroll	10,000	10,000	11,560	(1,560)
FICA/MEDI	765	765	846	(81)
Unemployment	458	458	253	205
<i>continued</i>				

TOWN OF GREENSBORO, VERMONT
Schedule of Revenues and Expenditures
Budget and Actual - General Fund
For the Year Ended June 30, 2021
(Page 5 of 6)

	Original Budget	Amended Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
<i>continued</i>				
Workers' compensation	318	318	-	318
Electric	50	50	-	50
Water bill	450	450	-	450
Mileage	50	50	-	50
Miscellaneous	300	300	293	7
Total Caspian milfoil	<u>12,391</u>	<u>12,391</u>	<u>12,952</u>	<u>(561)</u>
Solid waste				
Payroll	6,159	6,159	462	5,697
FICA/MEDI	471	471	35	436
Unemployment	113	113	99	14
Workers' compensation	900	900	570	330
Recycling supplies	560	560	62	498
Hauling fee	2,250	2,250	2,515	(265)
Compost fee	1,200	1,200	1,412	(212)
Recycle center improvements	2,000	2,000	-	2,000
Recycling trailer garbage	500	500	2,293	(1,793)
Total solid waste	<u>14,153</u>	<u>14,153</u>	<u>7,448</u>	<u>6,705</u>
Appropriations				
NEK Council on Aging	1,000	1,000	1,000	-
AWARE	2,000	2,000	2,000	-
Caledonia Home Health	1,400	1,400	1,400	-
Clarina Howards Nichols	1,500	1,500	1,500	-
Craftsbury Community Care	10,500	10,500	10,500	-
4 Seasons of Early Learning	9,500	9,500	9,500	-
Green Up	100	100	100	-
Greensboro Nursing Home	22,500	22,500	22,500	-
Hardwick Area Coalition	500	500	-	500
Hardwick Area Food Shelf	2,500	2,500	2,500	-
Hardwick/Greensboro Restorative	1,500	1,500	-	1,500
Lamoille Family	1,000	1,000	1,000	-
NEK Human Services	1,524	1,524	1,524	-
NEK Learning Services	250	250	250	-
North Country Animal League	600	600	600	-
NVDA	572	572	572	-
Orleans County Historical Society	625	625	625	-
Orleans County Citizens Advocacy	800	800	800	-
NECKA Community & Justice	300	300	200	100
Red Cross	250	250	250	-
Rescue squad	15,773	15,773	15,773	-
Rural Community Transportation	900	900	900	-
Vermont Center for Independent Living	210	210	210	-
WonderArts	3,500	3,500	3,500	-
VCRD	1,000	1,000	1,000	-
Total appropriations	<u>80,304</u>	<u>80,304</u>	<u>78,204</u>	<u>2,100</u>
<i>continued</i>				

TOWN OF GREENSBORO, VERMONT
Schedule of Revenues and Expenditures
Budget and Actual - General Fund
For the Year Ended June 30, 2021
(Page 6 of 6)

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<i>continued</i>				
Special appropriations				
Conservation Commission	2,000	2,000	2,000	-
Greensboro Free Library	25,000	25,000	25,000	-
Greensboro Historical Society	5,000	5,000	5,000	-
Total special appropriations	<u>32,000</u>	<u>32,000</u>	<u>32,000</u>	<u>-</u>
Total expenditures	<u>986,469</u>	<u>986,469</u>	<u>939,367</u>	<u>47,102</u>
Excess of revenues or (expenditures)	<u>153,255</u>	<u>153,255</u>	<u>244,886</u>	<u>91,631</u>
Other financing sources (uses)				
Transfer in (out)	<u>(253,455)</u>	<u>(253,455)</u>	<u>(286,575)</u>	<u>(33,120)</u>
Net change in fund balances	<u>\$ (100,200)</u>	<u>\$ (100,200)</u>	<u>\$ (41,689)</u>	<u>\$ 58,511</u>

TOWN OF GREENSBORO, VERMONT
Schedule of Revenues and Expenditures
Budget and Actual - Highway Fund
For the Year Ended June 30, 2021
(Page 1 of 2)

	Original Budget	Amended Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Property taxes	\$ 652,900	\$ 652,900	\$ 652,945	\$ 45
Intergovernmental	121,569	121,569	184,193	62,624
Total revenues	<u>774,469</u>	<u>774,469</u>	<u>837,138</u>	<u>62,669</u>
Expenditures				
Highway materials				
Gravel pit - taxes	4,800	4,800	4,844	(44)
Chloride	32,000	32,000	33,267	(1,267)
Sand	32,000	32,000	37,191	(5,191)
Salt	70,000	70,000	48,456	21,544
Gravel	38,000	38,000	6,870	31,130
Culverts	3,500	3,500	13,524	(10,024)
Signs	3,500	3,500	916	2,584
Road project materials	3,000	3,000	1,044	1,956
Total highway materials	<u>186,800</u>	<u>186,800</u>	<u>146,112</u>	<u>40,688</u>
Highway contracted services				
Mowing/brush	10,000	10,000	7,250	2,750
Road projects	4,000	4,000	-	4,000
Guard rails	7,000	7,000	-	7,000
Sidewalks	15,000	15,000	-	15,000
Permits	2,000	2,000	2,940	(940)
Total highway contracted services	<u>38,000</u>	<u>38,000</u>	<u>10,190</u>	<u>27,810</u>
Equipment operation and maintenance				
Small equipment	4,000	4,000	6,153	(2,153)
Equipment repairs	30,000	30,000	35,148	(5,148)
Equipment maintenance	20,000	20,000	31,945	(11,945)
Fuel/diesel	40,000	40,000	25,665	14,335
Fuel/gas	3,500	3,500	2,137	1,363
Equipment rental	1,500	1,500	-	1,500
Total equipment operation and maint.	<u>99,000</u>	<u>99,000</u>	<u>101,048</u>	<u>(2,048)</u>
Payroll and benefits				
Payroll	185,859	185,859	173,988	11,871
FICA/MEDI	14,218	14,218	12,968	1,250
Retirement	13,375	13,375	12,487	888
Health insurance	33,340	33,340	30,576	2,764
Health reimbursement account	13,000	13,000	10,454	2,546
Unemployment	4,200	4,200	2,854	1,346
Workers' comp insurance	17,000	17,000	11,140	5,860
Training	450	450	-	450
Uniforms	3,200	3,200	5,413	(2,213)
Employee miscellaneous	600	600	523	77
Total payroll and benefits	<u>285,242</u>	<u>285,242</u>	<u>260,403</u>	<u>24,839</u>

continued

TOWN OF GREENSBORO, VERMONT
Schedule of Revenues and Expenditures
Budget and Actual - Highway Fund
For the Year Ended June 30, 2021
(Page 2 of 2)

	Original Budget	Amended Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
<i>continued</i>				
Garage				
Garage maintenance	1,800	1,800	4,505	(2,705)
Supplies	3,000	3,000	5,632	(2,632)
Telephone	1,750	1,750	1,367	383
Heating fuel	3,127	3,127	1,960	1,167
Electricity	3,000	3,000	2,984	16
Water	450	450	425	25
Property and casualty insurance	10,000	10,000	7,270	2,730
Garbage	800	800	411	389
Mileage	150	150	53	97
Notices	750	750	1,335	(585)
Miscellaneous	600	600	819	(219)
Total garage	<u>25,427</u>	<u>25,427</u>	<u>26,761</u>	<u>(1,334)</u>
Highway projects				
Paving projects	110,000	110,000	90,387	19,613
Grants match	30,000	30,000	1,985	28,015
Total highway projects	<u>140,000</u>	<u>140,000</u>	<u>92,372</u>	<u>47,628</u>
Total expenditures	<u>774,469</u>	<u>774,469</u>	<u>636,886</u>	<u>137,583</u>
Excess of revenues or (expenditures)	<u>-</u>	<u>-</u>	<u>200,252</u>	<u>200,252</u>
Other financing sources (uses)				
Transfers in (out)	<u>-</u>	<u>-</u>	<u>(51,819)</u>	<u>(51,819)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 148,433</u>	<u>\$ 148,433</u>

TOWN OF GREENSBORO, VERMONT
Schedule of Proportionate Share of the Net Pension Liability
June 30,

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
VMERS							
Town's proportion of the net pension liability	0.07513%	0.08221%	0.07910%	0.09538%	0.09073%	0.09708%	0.10347%
Town's proportionate share of the net pension liability	\$ 190,063	\$ 142,629	\$ 111,338	\$ 115,563	\$ 116,761	\$ 74,843	\$ 9,443
Town's covered payroll	\$ 207,613	\$ 214,189	\$ 191,219	\$ 214,858	\$ 191,827	\$ 195,611	\$ 199,517
Town's proportionate share of the net pension liability as a percentage of its covered payroll	91.55%	66.59%	58.23%	53.79%	60.87%	38.26%	4.73%
Plan fiduciary net position as a percentage of the total pension liability	74.52%	80.35%	82.60%	83.64%	80.95%	87.42%	98.32%

Notes to schedule:

Data presented as of the measurement date. Historical information prior to implementation of GASB 68 is not required.
The plan provisions used in the measurement of the net pension liability are the same as those used in the actuarial valuation as of June 30, 2019.

TOWN OF GREENSBORO, VERMONT
Schedule of Pension Contributions
For the year ended June 30,

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
VMERS							
Contractually required contribution	\$ 16,635	\$ 15,572	\$ 15,796	\$ 13,863	\$ 15,577	\$ 13,790	\$ 13,570
Contributions in relation to the contractually required contribution	<u>(16,635)</u>	<u>(15,572)</u>	<u>(15,796)</u>	<u>(13,863)</u>	<u>(15,577)</u>	<u>(13,790)</u>	<u>(13,570)</u>
Contribution deficiency (excess)	\$ <u>-</u>						
Town's covered payroll	<u>214,638</u>	<u>207,613</u>	<u>214,189</u>	<u>191,219</u>	<u>214,858</u>	<u>191,827</u>	<u>195,611</u>
Contributions as a percentage of covered payroll	7.750%	7.500%	7.375%	7.250%	7.250%	7.189%	6.937%

Notes to schedule:

Historical information prior to implementation of GASB 68 is not required.

TOWN OF GREENSBORO, VERMONT
Balance Sheet - Nonmajor Governmental Funds
June 30, 2021
(Page 1 of 2)

	Capital Project Fund		Special Revenue Funds					
	Fire Station Fund	Findlay Forest Fund	Greensboro Grange Fund	Community Project Fund	Conservation Fund	Cemetery Fund	Caspian Lake Beach Fund	Reappraisal Reserve Fund
Assets								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 2,182	\$ 42,693	\$ 4,990	\$ 64,732
Due from other funds	-	309	1,193	364	-	3,032	749	51,465
Total assets	<u>\$ -</u>	<u>\$ 309</u>	<u>\$ 1,193</u>	<u>\$ 364</u>	<u>\$ 2,182</u>	<u>\$ 45,725</u>	<u>\$ 5,739</u>	<u>\$ 116,197</u>
Liabilities and fund balance								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant advance	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	2,147	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,147</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:								
Restricted	-	-	1,193	364	-	45,725	5,739	116,197
Committed	-	309	-	-	35	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	<u>-</u>	<u>309</u>	<u>1,193</u>	<u>364</u>	<u>35</u>	<u>45,725</u>	<u>5,739</u>	<u>116,197</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ 309</u>	<u>\$ 1,193</u>	<u>\$ 364</u>	<u>\$ 2,182</u>	<u>\$ 45,725</u>	<u>\$ 5,739</u>	<u>\$ 116,197</u>

See accompanying independent auditor's report

TOWN OF GREENSBORO, VERMONT
Balance Sheet - Nonmajor Governmental Funds
June 30, 2021
(Page 2 of 2)

	Special Revenue Funds							Total Nonmajor Governmental Funds	
	Recreation Fund	Tolman Fund	Records Preservation Fund	Caspian Milfoil Fund	Energy Committee Fund	Eligo Milfoil Fund	Community Park Fund		Greater Greensboro Fund
Assets									
Cash and cash equivalents	\$ -	\$ -	\$ 18,677	\$ 2,345	\$ 6,381	\$ 18,020	\$ -	\$ -	\$ 160,020
Due from other funds	<u>4,651</u>	<u>490</u>	<u>30,975</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,720</u>	<u>-</u>	<u>96,948</u>
Total assets	<u>\$ 4,651</u>	<u>\$ 490</u>	<u>\$ 49,652</u>	<u>\$ 2,345</u>	<u>\$ 6,381</u>	<u>\$ 18,020</u>	<u>\$ 3,720</u>	<u>\$ -</u>	<u>\$ 256,968</u>
Liabilities and fund balance									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,931	\$ 8,931
Grant advance	-	-	-	-	-	-	-	32,991	32,991
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,329</u>	<u>-</u>	<u>625</u>	<u>-</u>	<u>4,113</u>	<u>9,214</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,329</u>	<u>-</u>	<u>625</u>	<u>-</u>	<u>46,035</u>	<u>51,136</u>
Fund balance:									
Restricted	4,651	490	49,652	16	6,381	17,395	3,720	-	251,523
Committed	-	-	-	-	-	-	-	-	344
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(46,035)</u>	<u>(46,035)</u>
Total fund balance	<u>4,651</u>	<u>490</u>	<u>49,652</u>	<u>16</u>	<u>6,381</u>	<u>17,395</u>	<u>3,720</u>	<u>(46,035)</u>	<u>205,832</u>
Total liabilities and fund balance	<u>\$ 4,651</u>	<u>\$ 490</u>	<u>\$ 49,652</u>	<u>\$ 2,345</u>	<u>\$ 6,381</u>	<u>\$ 18,020</u>	<u>\$ 3,720</u>	<u>\$ -</u>	<u>\$ 256,968</u>

See accompanying independent auditor's report

TOWN OF GREENSBORO, VERMONT
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Nonmajor Governmental Funds
For the Year Ended June 30, 2021

(Page 1 of 2)

	Capital Project	Special Revenue Funds						
	Fire Station Fund	Findlay Forest Fund	Greensboro Grange Fund	Community Project Fund	Conservation Fund	Cemetery Fund	Caspian Lake Beach Fund	Reappraisal Reserve Fund
Revenues								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 600	\$ -	\$ 3,250	\$ 7,880
Charges for services	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	1,500	-	-
Interest	-	-	-	-	-	1,616	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>600</u>	<u>3,116</u>	<u>3,250</u>	<u>7,880</u>
Expenditures								
Current:								
General government	-	-	-	-	650	-	7	3,393
Cemetery	-	-	-	-	-	1,200	-	-
Culture and recreation	-	-	-	-	-	-	2,530	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>650</u>	<u>1,200</u>	<u>2,537</u>	<u>3,393</u>
Excess of revenues or (expenditures)	-	-	-	-	(50)	1,916	713	4,487
Other financing sources (uses)								
Transfers in (out)	<u>25,552</u>	-	-	-	-	-	1,000	-
Net change in fund balances	25,552	-	-	-	(50)	1,916	1,713	4,487
Fund balances, beginning of year	<u>(25,552)</u>	<u>309</u>	<u>1,193</u>	<u>364</u>	<u>85</u>	<u>43,809</u>	<u>4,026</u>	<u>111,710</u>
Fund balances, end of year	\$ <u>-</u>	\$ <u>309</u>	\$ <u>1,193</u>	\$ <u>364</u>	\$ <u>35</u>	\$ <u>45,725</u>	\$ <u>5,739</u>	\$ <u>116,197</u>

See accompanying independent auditor's report

TOWN OF GREENSBORO, VERMONT
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Nonmajor Governmental Funds
For the Year Ended June 30, 2021

(Page 2 of 2)

	Special Revenue Funds							Total Nonmajor Governmental Funds	
	Recreation Fund	Tolman Fund	Records Preservation Fund	Caspian Milfoil Fund	Energy Committee Fund	Eligo Milfoil Fund	Community Park Fund		Greater Greensboro Fund
Revenues									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,500	\$ 17,230
Charges for services	-	-	5,410	-	-	-	-	-	5,410
Donations	-	-	-	-	-	-	-	-	1,500
Interest	-	-	19	-	-	-	-	-	1,635
Miscellaneous	-	-	-	291	-	-	-	-	291
Total revenues	<u>-</u>	<u>-</u>	<u>5,429</u>	<u>291</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,500</u>	<u>26,066</u>
Expenditures									
Current:									
General government	-	-	222	-	3	9	-	51,535	55,819
Cemetery	-	-	-	-	-	-	-	-	1,200
Culture and recreation	-	-	-	-	-	-	-	-	2,530
Total expenditures	<u>-</u>	<u>-</u>	<u>222</u>	<u>-</u>	<u>3</u>	<u>9</u>	<u>-</u>	<u>51,535</u>	<u>59,549</u>
Excess of revenues or (expenditures)	-	-	5,207	291	(3)	(9)	-	(46,035)	(33,483)
Other financing sources (uses)									
Transfers in (out)	-	-	-	-	-	-	-	-	26,552
Net change in fund balances	-	-	5,207	291	(3)	(9)	-	(46,035)	(6,931)
Fund balances, beginning of year	<u>4,651</u>	<u>490</u>	<u>44,445</u>	<u>(275)</u>	<u>6,384</u>	<u>17,404</u>	<u>3,720</u>	<u>-</u>	<u>212,763</u>
Fund balances, end of year	\$ <u>4,651</u>	\$ <u>490</u>	\$ <u>49,652</u>	\$ <u>16</u>	\$ <u>6,381</u>	\$ <u>17,395</u>	\$ <u>3,720</u>	\$ <u>(46,035)</u>	\$ <u>205,832</u>

See accompanying independent auditor's report

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Select Board
Town of Greensboro, Vermont

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Greensboro, Vermont, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Greensboro, Vermont's basic financial statements and have issued our report thereon dated November 29, 2021.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings as items 2021-001 and 2021-002 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Greensboro, Vermont's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Select Board
Town of Greensboro, Vermont

Town of Greensboro, Vermont's Response to Findings

The Town of Greensboro, Vermont's response to the findings identified in our audit is described in the accompanying schedule of findings. The Town of Greensboro, Vermont's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Pace & Hawley, LLC

Berlin, Vermont
November 29, 2021

TOWN OF GREENSBORO, VERMONT
Schedule of Findings
For the Year Ended June 30, 2021

2021-001 Balance Sheet Accounts Reconciliations

Condition: Certain balance sheet accounts are not accurately reconciled to supporting documentation and reconciliations are not reviewed by a second person. Specifically, accounts payable, health insurance payable and certain cash accounts were not adjusted and reconciled to actual balances at fiscal year-end.

Criteria: Generally accepted accounting principles require material transactions to reflect actual transactions and balances.

Cause: Town personnel did not complete proper fiscal year end closing procedures.

Effect: We proposed numerous audit adjustments to properly report balance sheet accounts including adjustments posted to cash accounts. Without correction, the financial statements would have been misstated.

Recommendation: We recommend that the Town consider, document, and implement year end closing procedures which include reconciling significant balance sheet accounts to supporting documentation and have a second knowledgeable person review those reconciliations for propriety.

Management's response: Management is aware of multiple inaccuracies regarding balance sheet reconciliations. Management is agreement with the recommendation regarding year-end closing procedures and recommendations regarding a second knowledgeable person.

2021-002 Internal Controls Over Bank Disbursements

Condition: The Treasurer has primary access to the general ledger and can distribute funds from bank accounts and bank statements are not reviewed by someone other than the Treasurer.

Criteria: Generally, custody of funds and accounting are duties that ideally would be performed by separate individuals.

Cause: The Town did not have sufficient personnel to separate the treasury and accounting functions.

Effect: Disbursements could be made from the bank accounts without proper approval.

Recommendation: We recommend that someone, other than the Treasurer, received bank statements directly from the bank or access an electronic copy of the bank statement from the bank's internet website. This person should review the bank statements for propriety, make a selection of disbursements, including electronic transactions, and verify they are proper.

Management's response: Management is in agreement with the recommendation regarding bank statements and recommends a third party receive electronic bank statements. One option would be for the Town Clerk to download and review monthly statements, and then forward to NEMRC for detailed reconciliation.