

TOWN OF COLCHESTER, VERMONT

AUDIT REPORT

JUNE 30, 2009

TOWN OF COLCHESTER, VERMONT
AUDIT REPORT
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Independent Auditor's Report

Selectboard
Town of Colchester
Colchester, Vermont 05446

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 Colchester, Vermont as of and for the year ended June 30, 2009, which collectively comprise the Town of Colchester, Vermont's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Town of Colchester, Vermont's management. Our responsibility is to express opinions on these financial statements based on our audit.

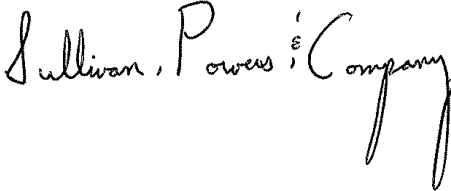
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining,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

In our opinion, based on our audit, 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 Colchester, Vermont as of June 30, 2009 and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Information included under Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming our opinion on the financial statements that collectively comprise the Town of Colchester, Vermont's basic financial statements. The Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual - General Fund and combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

November 30, 2009
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 initial 'S' and a long, sweeping underline.

TOWN OF COLCHESTER, VERMONT MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Colchester (The Town), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2009. The purpose of the management discussion and analysis is to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Town's financial activity, (c) identify changes in the Town's financial position (its ability to address the next and subsequent years' challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

FINANCIAL HIGHLIGHTS

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

The assets of the Town of Colchester exceeded its liabilities at the close of the fiscal year by \$28,948,570 (total net assets). Of this amount \$6,709,493 (unrestricted net assets) may be used by the various funds of the Town to meet its ongoing obligations to its citizens and creditors and \$900,669 represent resources that are subject to external restrictions on how they may be used.

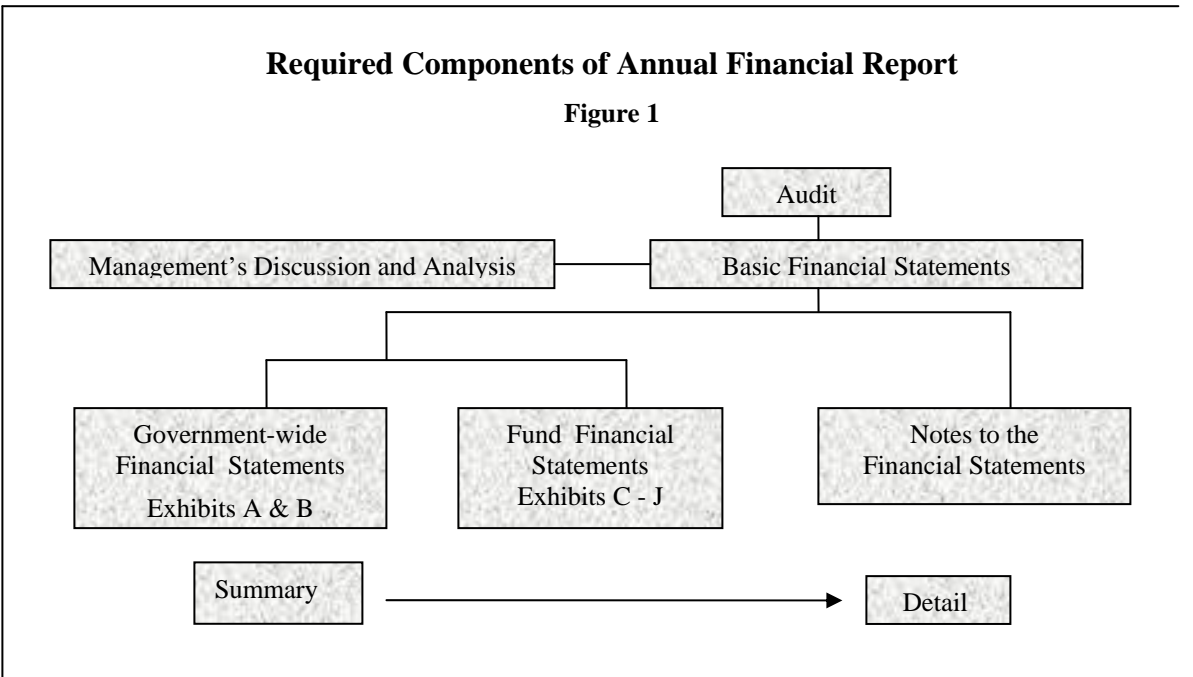
- The Town's total governmental net assets increased by \$2,141,934. There was an increase in Capital Grants and Contributions of more than \$767,000. The Fort Ethan Allen stormwater project was the single largest recipient of grant funds at \$570,676. Expenses related to this project are included in Construction in Progress.
- Business-Type Activities increased by \$243,023 primarily due to an increase of 8.6% in user fees.

Fund Financial Statements (refer to Exhibit C and Footnote 4H)

- Government funds include General, Special Revenue, Capital Project and Debt Service funds.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$6,558,259, a decrease of \$89,474 in comparison with the prior year. Approximately 60% of the fund balance, or \$3,952,460 is available for spending at the government's discretion (unreserved fund balance). The Town has reserved \$2,605,799 for inventories, prepaid expenditures, various Special Revenue Funds and Recreation Acquisition & Development Impact Fees and facilities upgrade.
- Designations of fund balance in the Special Revenue Funds include \$163,310 for recreation programs and \$1,160,227 for reappraisal, technology, restoration of records, public safety communications and bridge repairs.

TOWN OF COLCHESTER, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS



Major Features of the Town of Colchester's Government-wide & Fund Financial Statements

Figure 2

	Government-wide Statements	Fund Statements Government Funds	Fund Statements Proprietary Funds
Scope	Entire Town government (except fiduciary funds)	The activities of the Town that are not proprietary or fiduciary, such as finance, planning & zoning, police, parks	Activities the Town operates similar to private businesses, the sewer system
Required Financial Statements	-Statement of Net Assets -Statement of Activities	-Balance Sheet -Statement of Revenues, Expenditures & Changes in Fund Balances	-Balance Sheet -Statement of Revenues, Expenses & Changes in Net Assets -Statement of Cash Flows
Accounting Basis & Measurement Focus	Accrual accounting & economic resources focus	Modified accrual accounting & current financial resources focus	Accrual accounting & economic resources focus
Type of Asset/Liability Information	All assets & liabilities, both financial & capital, and short-term & long-term	Only assets expected to be used up & liabilities that come due during the year or soon thereafter, no capital assets included	All assets & liabilities, both financial & capital, & short-term & long-term
Type of Inflow/Outflow Information	All revenues & expenses during year, regardless of when cash is received or paid	Revenues or expenditures for which cash is received or goods or services have been received & payment is due during or soon after year end.	All revenues & expenses during the year, regardless of when cash is received or paid

**TOWN OF COLCHESTER, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following tables, graphs and analysis discuss the financial position and changes to the financial position for the Town as a whole as of and for the years ended June 30, 2009 and 2008.

Town of Colchester's Net Assets							
Figure 3							
	Governmental Activities		Business-Type Activities		Total		% Change
	2009	2008	2009	2008	2009	2008	
Current & Other Assets	\$8,503,190	\$9,013,647	\$5,204,155	\$4,999,637	\$13,707,345	\$14,013,284	(2.2%)
Capital Assets	24,008,220	22,513,360	3,761,767	3,911,739	27,769,987	26,425,099	5.1%
Total Assets	32,511,410	31,527,007	8,965,922	8,911,376	41,477,332	40,438,383	0.3%
Long-Term Liabilities Outstanding	8,460,212	9,012,168	3,005,480	3,199,528	11,465,692	12,211,696	(6.1%)
Other Liabilities	1,017,927	1,623,502	45,143	39,572	1,063,070	1,663,074	(36.1%)
Total Liabilities	9,478,139	10,635,670	3,050,623	3,239,100	12,528,762	13,874,770	(9.7%)
Net Assets:							
Invested in Capital Assets, net of related debt	18,367,121	16,858,679	2,971,287	3,042,211	21,338,408	19,900,890	7.2%
Restricted	894,069	838,718	6,600	6,600	900,669	845,318	6.5%
Unrestricted	3,772,081	3,193,940	2,937,412	2,623,465	6,709,493	5,817,405	15.2%
Total Net Assets	\$23,033,271	\$20,891,337	\$5,915,299	\$5,672,276	\$28,948,570	\$26,563,613	9.0%

Net assets may serve over time as one useful indicator of a government's financial condition. By far the largest portion of the Town's net assets (74%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure (roads, bridges, etc)) less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

One hundred (100%) of the Town's cash and Certificates of Deposit are insured or collateralized by U.S. Government securities or General Obligation Vermont Municipal notes or bonds.

Changes in Net Assets

The chart below is a presentation of Exhibit B that illustrates the components of the revenue sources and expenditures areas of the government wide Statement of Activities.

**TOWN OF COLCHESTER, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

<u>Town of Colchester Change in Net Assets</u>							
Figure 4							
	Governmental Activities		Business-Type Activities		Total		% Chg
	2009	2008	2009	2008	2009	2008	
Revenues:							
Program Revenues:							
Charges for Services	\$1,431,748	\$1,367,582	\$771,020	\$712,687	\$2,202,768	\$2,080,269	5.9%
Operating Grants & Contributions	1,170,530	772,780	0	0	1,170,530	772,780	51.5%
Capital Grants & Contributions	977,788	209,691	0	220,658	977,788	430,349	127.2%
General Revenues:							
Property Taxes	9,974,381	9,643,513	0	0	9,974,381	9,643,513	3.4%
Other	418,663	870,200	260,660	99,782	679,323	969,982	(30.0%)
Total Revenues	13,973,110	12,863,766	1,031,680	1,033,127	15,004,790	13,896,893	8.0%
Expenses:							
General Government	2,523,362	2,276,225	0	0	2,523,362	2,276,225	10.9%
Public Safety	4,390,143	4,192,218	0	0	4,390,143	4,192,218	4.7%
Public Works	2,428,156	2,282,237	0	0	2,428,156	2,282,237	6.4%
Community Development	316,409	4,245	0	0	316,409	4,245	7353.7%
Culture & Recreation	1,852,872	1,738,865	0	0	1,852,872	1,738,865	6.6%
Interest on Long-Term Debt	320,234	453,417	0	0	320,234	453,417	(29.4%)
Wastewater	0	0	788,657	809,012	788,657	809,012	(2.5%)
Total Expenses	11,831,176	10,947,207	788,657	809,012	12,619,833	11,756,219	7.3%
Increase in Net Assets	2,141,934	1,916,559	243,023	224,115	2,384,957	2,140,674	11.4%
Net Assets, July 1	20,891,337	18,974,778	5,672,276	5,448,161	26,563,613	24,422,939	8.8%
Net Assets, June 30	\$23,033,271	\$20,891,337	\$5,915,299	\$5,672,276	\$28,948,570	\$26,563,613	9.0%

Governmental activities

Key elements in the changes in revenue are as follows:

- Property tax rate increased 2.5% over last year
- Property taxes financed approximately 84% of General Fund expenses and the remainder of the cost was paid by those who directly benefited from programs offered and by other governments and organizations that subsidized certain programs with operating grants and contributions. In FY 2008 property taxes financed 86% of General Fund expenses.
- Revenues for planning and zoning activities were higher than the previous year by over \$32,000 or 16%. This is primarily due to an increase in permits issued in FY 09. Permits for multifamily residences were up over 100%.
- Interest income was down over \$186,000 or 76% from FY 08.
- Overall, actual General Fund revenues were lower than last year by about \$12,200 or 0.1%.

**TOWN OF COLCHESTER, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Figure 5 shows the changes in types of revenues between fiscal year 2008 and 2009. Property taxes are the largest source of revenues. The next largest type of revenue in FY 09, Charges for Services, provides only 10% of revenue and Grants and Contributions comprised almost 15 % of revenues in FY 09.

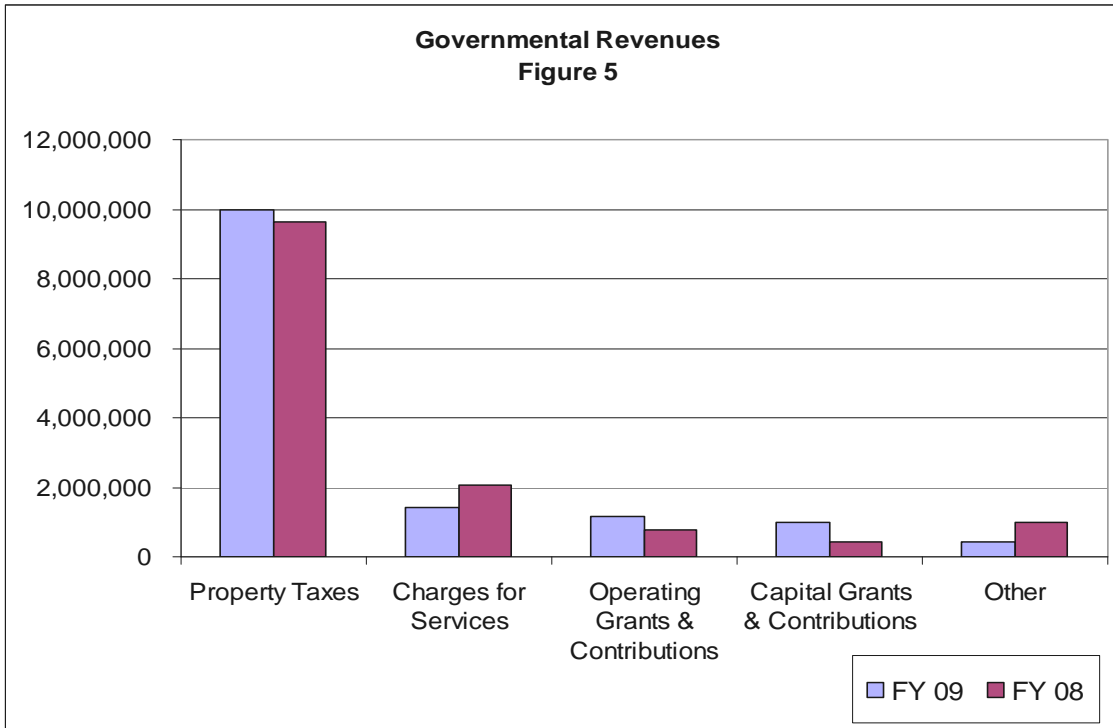
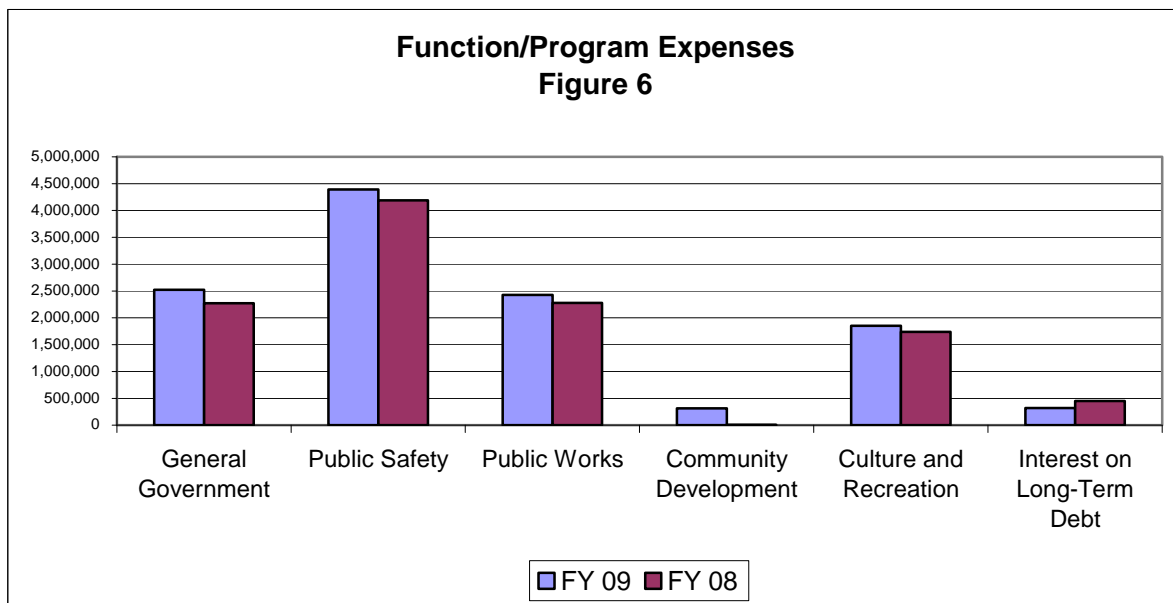
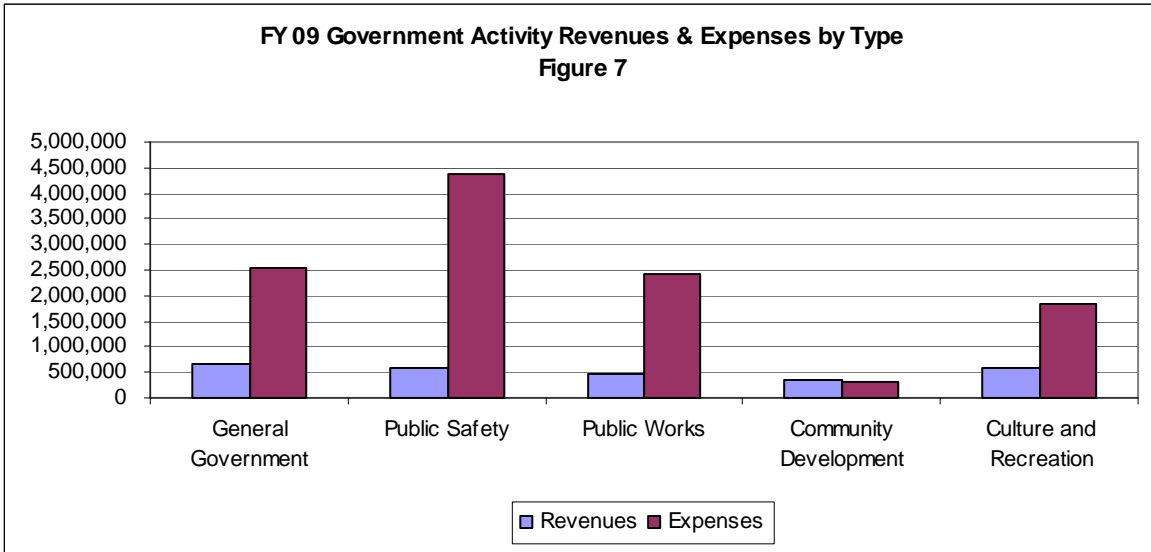


Figure 6 compares the changes in functional or program expenses between 2008 and 2009. This graph shows how the Town spends its revenue. In FY 09, Public Safety comprises 37% of the spending, followed by Public Works and General Government with almost 21% each of the total spending. Culture & Recreation includes the Library and the Recreation Department and represents 16% of the expenses.



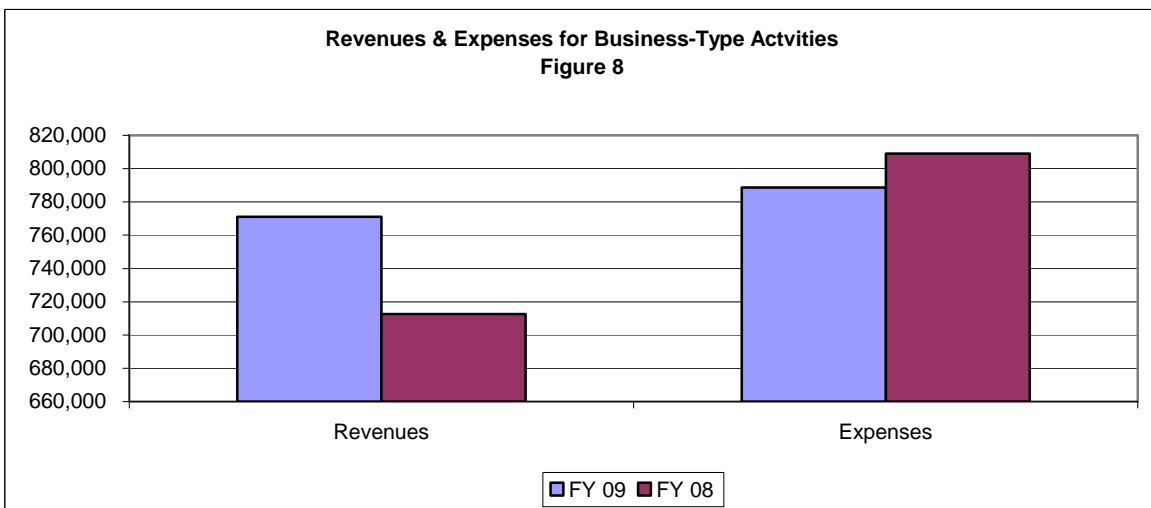
TOWN OF COLCHESTER, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Figure 7 shows how Charges for Services and Grants and Contributions contribute to the payment of functional expenses. This chart indicates that program revenues do not support program expenses requiring property taxes to pay for the bulk of the expenses, with the exception of Community Development.



Business-type activities (Sewer Fund):

- Charges for services increased by about \$58,000, while operating expenses decreased by over \$22,500.
- Business type activities represent about 20% of total net assets.
- Charges for services were \$771,020, compared with \$712,687 in fiscal year 2008.
- Included in operating expenses is depreciation expense in the amount of \$149,972.
- The user rate increased by 8.6% in FY 09.



TOWN OF COLCHESTER, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the Town's Funds

As noted earlier, the Town of Colchester uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Town's financing requirements. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year. Unreserved fund balance provides a reserve for emergencies, enables the Select Board to stabilize tax rates, and provides working capital from which to pay Town bills between tax collection due dates.

The General Fund is the chief operating fund of the Town of Colchester. A key financial statistic to evaluating the financial strength of the Town is the level of the General Fund unreserved, undesignated fund balance as a percent of total revenues or expenditures. Typically, this balance should be 5 to 15 percent of annual revenues or expenditures.

- At the end of the current fiscal year the unreserved, undesignated fund balance of the General Fund was \$1,459,166. \$46,920 and \$7,500 was reserved for inventory and prepaid expenses, respectively.
- The unreserved and undesignated General Fund fund balance at June 30, 2009 was 15% of total General Fund expenditures.
- Total governmental fund balances totaled \$6,558,259 in 2009 and \$6,647,733 in 2008.

In addition to the General Fund, the Town maintains other funds including the capital project funds maintained to provide infrastructure improvements in the Town, funds for grants received by the Town and funds for special revenues received by the Town.

The Town operates a Septic Revolving Loan Fund to provide financial assistance for the upgrade of failing on-site septic systems. The Town has made loans to 25 individuals or families as of June 30, 2009.

Proprietary Funds (Sewer Fund)

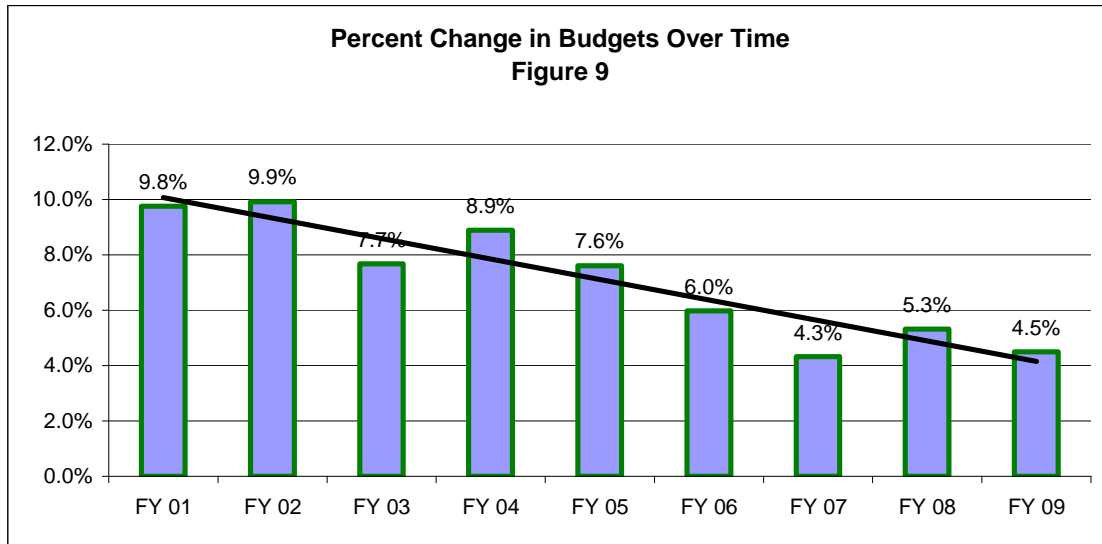
Business-type activities increased the Town's net assets of the Wastewater Fund by about \$243,000 or about 4%. Total Net Assets at June 30, 2009 were \$5,915,299 compared with \$5,672,276 as of June 30, 2008. Capital assets, primarily Plant and Equipment make up the largest portion of Net Assets at 50%.

General Fund Budgetary Highlights:

The FY 2009 General Fund budget totaling \$10,064,117 increased 3.9% over FY 08. The budget increase between FY 07 and FY 08 was 5.3%. Salaries and benefits make up about 71% of the General Fund budget.

TOWN OF COLCHESTER, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Figure 9 shows the percent change in the General Fund budget for the last 9 years.



Actual revenues in the General Fund were lower than budgeted by \$104,602 and actual expenditures were lower than budgeted by \$440,566. The FY 09 budget planned for deficit spending of \$285,000, but the General Fund ended with a surplus of \$50,964.

Some of the key factors contributing to this surplus include:

Revenue Variances

- The largest budget variance was the receipt of about \$147,700 less in interest revenue than budgeted.
- Revenue from ambulance fees exceeded the budget by over \$56,000 however, Rescue expenses exceeded revenues by about \$81,700.
- Property taxes due at June 30 for the current year grew by roughly \$57,800 over the previous year. Actual property tax revenues were approximately \$57,000 less than budgeted in FY 09.

Expenditure Variances

- The Select Board budget was under budget by \$65,275 primarily due to the Select Board Contingency of \$50,000 and \$10,000 budgeted for Professional Services not spent this year.
- Salaries were under budget by almost \$84,000 due to unfilled positions.
- Employee benefits were under budget by \$35,600 primarily due to health insurance cost being lower than budgeted. While health insurance rates increased by over 51% in some cases, the increase in cost was mitigated by changing essentially all employees to a high deductible insurance plan coupled with a Health Savings account. The deductible was increased over what was previously offered to \$2,250 for single plans and \$4,500 for 2-person and family plans.
- Consulting fees and purchased services were lower than budget by about \$32,300.
- Overtime was under budget by \$35,600.

TOWN OF COLCHESTER, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets

The Town of Colchester's investment in capital assets for its governmental and business-type activities as of June 30, 2009, totaled \$27,769,987 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, and vehicles. The Town is not required to retroactively report infrastructure assets under GASB 34, due to the size of its budget. The Town has elected to report only infrastructure assets put into operation beginning July 1, 2003, but may choose at a later date to inventory all existing infrastructure assets as of June 30, 2003 and include them in the Town financial statements.

Major capital asset transactions during the year include the following additions (there were no significant demolitions or disposals):

- Equipment and vehicles increases after depreciation was \$339,900.
- Over \$1 million was added to Construction in Progress for road and sidewalk projects in FY 09.
- The construction of the new Town Hall was completed and \$3,698,938 was added to building values.



A table that shows the values of the Town's capital assets net of depreciation is shown below. Additional information can be found in Note 4D of this report.

<u>Town of Colchester Capital Assets (net of depreciation)</u>							
Figure 10							
	Governmental Activities		Business-Type Activities		Total		% Change
	2009	2008	2009	2008	2009	2008	
Land	\$2,104,936	\$2,104,936	\$132,568	\$132,568	\$2,237,504	\$2,237,504	0.0%
Construction in Progress	1,640,366	3,746,734	0	0	1,640,366	3,746,734	(56.2%)
Land Improvements	642,399	680,680	0	0	642,399	680,680	(5.6%)
Buildings & Improvements	5,777,715	2,182,070	0	0	5,777,715	2,182,070	164.7%
Equipment & Furniture	651,156	500,890	0	0	651,156	500,890	30.0%
Vehicles	1,598,104	1,571,234	0	0	1,598,104	1,571,234	1.7%
Infrastructure	11,593,544	11,726,816	0	0	11,593,544	11,726,816	(1.1%)
Plant & Equipment	0	0	3,629,199	3,779,171	3,629,199	3,779,171	(4.0%)
Total	\$24,008,220	\$22,513,360	\$3,761,767	\$3,911,739	\$27,769,987	\$26,425,099	5.1%

**TOWN OF COLCHESTER, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

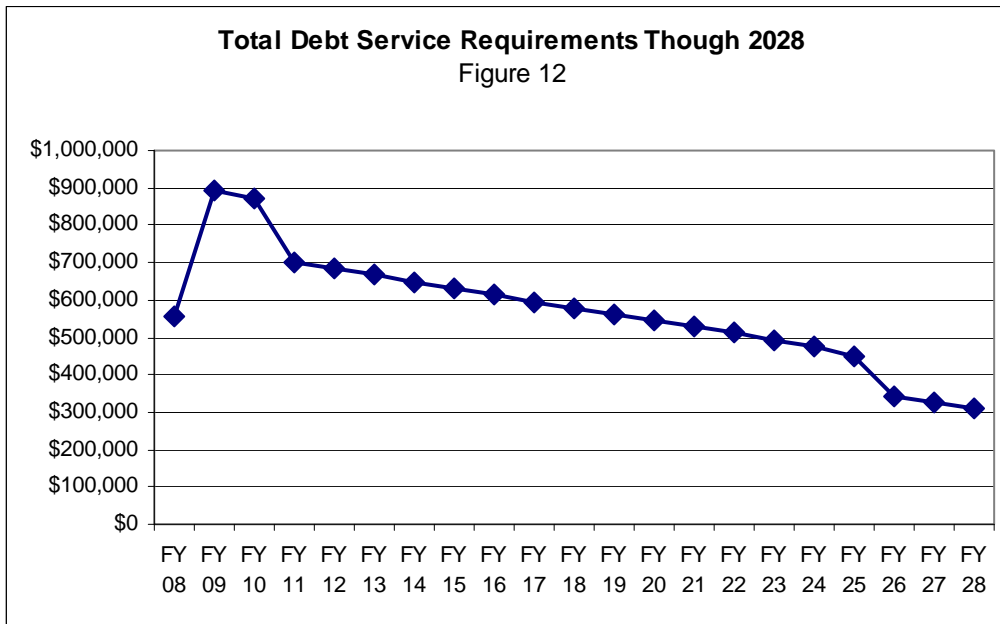
Debt Administration

There was essentially no new borrowing in the governmental funds for the year ended June 30, 2009, except \$3,829 for the septic revolving loan program. There was no new borrowing in the business-type fund in Fiscal Year 2009.

Town of Colchester's Outstanding Debt							
Figure 11							
	Governmental Activities		Business-Type Activities		Total		% Change
	2009	2008	2009	2008	2009	2008	
General Obligation Bonds	\$7,862,731	\$8,443,944	\$790,480	\$869,528	\$8,653,211	\$9,313,472	(7.1%)
Special Assessment Debt with Government Commitment	0	0	2,215,000	2,330,000	2,215,000	2,330,000	(4.9%)
Total	\$7,862,731	\$8,443,944	3,005,480	\$3,199,528	\$10,868,211	\$11,643,472	(6.7%)

The Town has received authorization for six \$150,000 revolving loan fund bonds for the purpose of loaning funds to upgrade failed septic systems. For the year ended June 30, 2009, the Town requested \$3,829 in reimbursement from the State of Vermont.

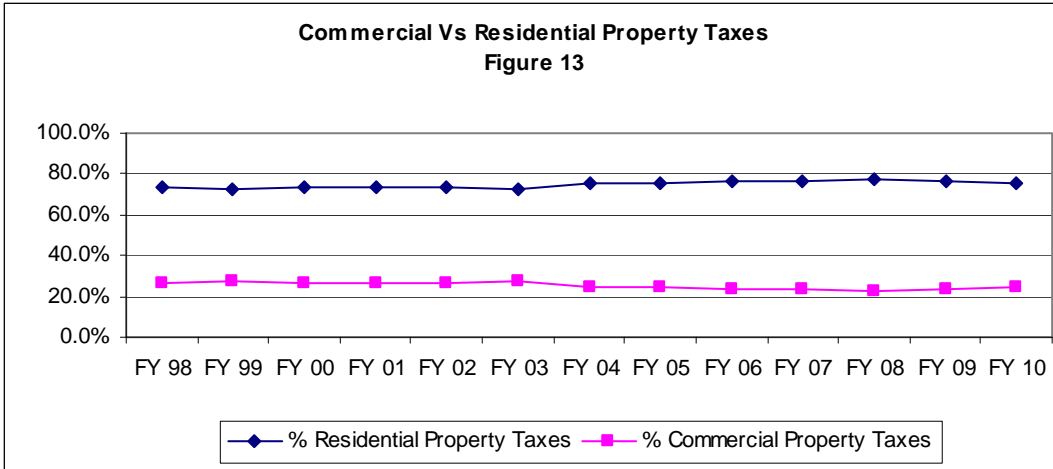
Figure 12 indicates the Town's debt service requirements through 2028, after which all current debt will be retired. Additional information regarding the Town's long-term debt can be found in note 4G of this report.



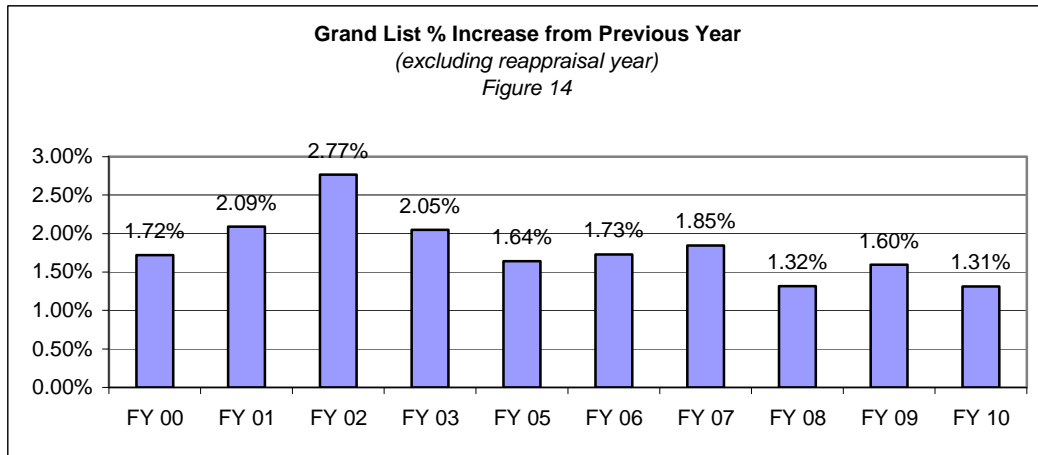
Economic Factors and Next Year's Budgets and Rates

- Colchester's tax rate is predominately residential, forcing more of the tax burden on homeowners, rather than commercial properties. Figure 13 indicates the 13 year trend in the commercial and residential property tax payments. For FY09 and FY10, 76% of property tax revenues come from residential properties.

**TOWN OF COLCHESTER, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS**



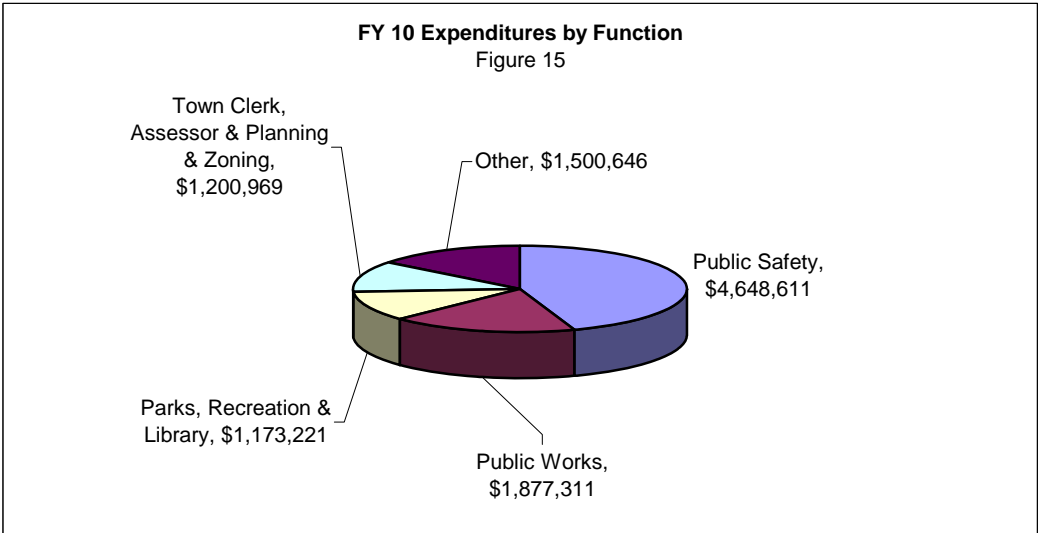
- The Municipal Grand List value for the Town was \$13,884,279 as of the beginning of FY 10. This was an increase of 1.31% over the prior fiscal year. Since 1970 the Town of Colchester's Grand List has grown from \$172,670 to \$13,884,279.



- The Town of Colchester approved a General Fund budget for 2010 in the amount of \$10,400,758. This represents an increase of 3.3% over the previous year.
- The municipal tax rate will increase by 1.3% to \$0.7423.
- As in previous years, about 45% of the budget is for public safety services.
- Public Works represents about 18% of the General Fund budget.
- Parks & Recreation and the Library represent about 11.5% of the General Fund budget.
- 71% of the General Fund budget is for salaries and benefits.
- Overall, there was a 4.7% increase in salaries and benefits over the FY 2009 budget, primarily due to a 15% increase in the budget for health insurance.

TOWN OF COLCHESTER, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Figure 15 depicts how the Town spends its General Fund budget.



Performance Measures

Beginning in Fiscal Year 2007, each department committed at least one measurable performance goal in addition to the normal departmental goals for the upcoming year. The purpose of this effort is to allow the public more insight into the efforts of each department to improve or become more efficient each year. Please visit the Colchester web site and click on the Town Budget tab to see the goals that have been set. The web address is www.colchestervt.gov.

Requests for Information

This report is designed to provide an overview of the Town of Colchester's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Chief Financial Officer, Town of Colchester, PO Box 55, Colchester, VT 05446.

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

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash	\$ 6,227,317	\$ 966,727	\$ 7,194,044
Investments	1,015,741	1,744,107	2,759,848
Receivables (Net of Allowance for Uncollectibles)	650,919	2,518,951	3,169,870
Notes Receivable	524,153	0	524,153
Inventories	46,920	5,010	51,930
Prepaid Expenses	7,500	0	7,500
Internal Balances	30,640	(30,640)	0
Capital Assets			
Land	2,104,936	132,568	2,237,504
Construction in Progress	1,640,366	0	1,640,366
Other Capital Assets (Net of Accumulated Depreciation)	20,262,918	3,629,199	23,892,117
Total Assets	<u>32,511,410</u>	<u>8,965,922</u>	<u>41,477,332</u>
<u>LIABILITIES</u>			
Accounts Payable	512,846	32,355	545,201
Accrued Payroll and Benefits Payable	220,254	103	220,357
Other Accrued Expenses	5,000	0	5,000
Due to Others	63,201	0	63,201
Deferred Revenue	191,142	0	191,142
Accrued Interest Payable	25,484	12,685	38,169
Noncurrent Liabilities:			
Due within One Year	585,235	209,048	794,283
Due in More than One Year	7,874,977	2,796,432	10,671,409
Total Liabilities	<u>9,478,139</u>	<u>3,050,623</u>	<u>12,528,762</u>
<u>NET ASSETS</u>			
Invested in Capital Assets, Net of Related Debt	18,367,121	2,971,287	21,338,408
Restricted for:			
Cemetery Funds:			
Nonexpendable	86,435	0	86,435
Expendable	39,373	0	39,373
Other	768,261	6,600	774,861
Unrestricted	3,772,081	2,937,412	6,709,493
Total Net Assets	<u>\$ 23,033,271</u>	<u>\$ 5,915,299</u>	<u>\$ 28,948,570</u>

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

TOWN OF COLCHESTER, VERMONT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

	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:							
Governmental Activities:							
General Government	\$ 2,523,362	\$ 503,855	\$ 151,189	\$ 0	\$ (1,868,318)	\$ 0	\$ (1,868,318)
Public Safety	4,390,143	332,556	242,910	0	(3,814,677)	0	(3,814,677)
Public Works	2,428,156	23,267	443,151	0	(1,961,738)	0	(1,961,738)
Community Development	316,409	1,810	330,650	0	16,051	0	16,051
Culture and Recreation	1,852,872	570,260	2,630	0	(1,279,982)	0	(1,279,982)
Interest on Long-Term Debt	320,234	0	0	0	(320,234)	0	(320,234)
Capital Outlay	0	0	0	977,788	977,788	0	977,788
Total Governmental Activities	11,831,176	1,431,748	1,170,530	977,788	(8,251,110)	0	(8,251,110)
Business-Type Activities:							
Wastewater	788,657	771,020	0	0	0	(17,637)	(17,637)
Total Business-Type Activities	788,657	771,020	0	0	0	(17,637)	(17,637)
Total	\$ 12,619,833	\$ 2,202,768	\$ 1,170,530	\$ 977,788	(8,251,110)	(17,637)	(8,268,747)
General Revenues:							
Property Taxes					9,974,381	0	9,974,381
Interest and Penalties on Delinquent Taxes					119,973	0	119,973
Payment in Lieu of Taxes					185,134	0	185,134
Unrestricted Investment Earnings					86,629	260,660	347,289
Other Revenues					26,927	0	26,927
Total General Revenues					10,393,044	260,660	10,653,704
Change in Net Assets					2,141,934	243,023	2,384,957
Net Assets - July 1, 2008					20,891,337	5,672,276	26,563,613
Net Assets - June 30, 2009					\$ 23,033,271	\$ 5,915,299	\$ 28,948,570

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

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

	General Fund	Capital Projects Fund	Reserve Fund	Community Development Fund	Grant Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash	\$ 2,718,094	\$ 2,306,146	\$ 458,176	\$ 72,106	\$ 130,787	\$ 542,008	\$ 6,227,317
Investments	106,168	0	674,197	0	0	235,376	1,015,741
Receivables (Net of Allowance for Uncollectibles)	360,195	167,487	0	0	121,907	1,330	650,919
Notes Receivable	0	0	0	346,695	0	177,458	524,153
Due from Other Funds	0	751,154	70,989	0	0	432,330	1,254,473
Inventories	46,920	0	0	0	0	0	46,920
Prepaid Expenses	7,500	0	0	0	0	0	7,500
Total Assets	\$ 3,238,877	\$ 3,224,787	\$ 1,203,362	\$ 418,801	\$ 252,694	\$ 1,388,502	\$ 9,727,023
LIABILITIES							
Liabilities:							
Accounts Payable	\$ 207,364	\$ 34,757	\$ 43,135	\$ 390	\$ 52,793	\$ 174,407	\$ 512,846
Accrued Payroll and Benefits Payable	204,688	0	0	0	0	15,566	220,254
Due to Other Funds	1,003,764	0	0	0	220,069	0	1,223,833
Other Accrued Expenses	5,000	0	0	0	0	0	5,000
Deferred Revenue	241,274	164,855	0	346,695	114,568	276,238	1,143,630
Due to Others	63,201	0	0	0	0	0	63,201
Total Liabilities	1,725,291	199,612	43,135	347,085	387,430	466,211	3,168,764
Fund Balances/(Deficit):							
Reserved for							
Prepaid Expenses	7,500	0	0	0	0	0	7,500
Inventories	46,920	0	0	0	0	0	46,920
Other Purposes	0	1,963,524	0	71,716	0	516,139	2,551,379
Unreserved, Reported In							
General Fund	1,459,166	0	0	0	0	0	1,459,166
Special Revenue Funds	0	0	1,160,227	0	(134,736)	163,310	1,188,801
Capital Projects Funds	0	1,061,651	0	0	0	145,985	1,207,636
Debt Service Fund	0	0	0	0	0	96,857	96,857
Total Fund Balances/(Deficit)	1,513,586	3,025,175	1,160,227	71,716	(134,736)	922,291	6,558,259
Total Liabilities and Fund Balances	\$ 3,238,877	\$ 3,224,787	\$ 1,203,362	\$ 418,801	\$ 252,694	\$ 1,388,502	
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.							24,008,220
Other Assets are not Available to Pay for Current-Period Expenditures, and, Therefore, are Deferred in the Funds.							952,488
Long-Term and Accrued Liabilities, Including Bonds Payable, are not Due or Payable in the Current Period and, Therefore, are Not Reported in the Funds.							(8,485,696)
Net Assets of Governmental Activities							<u>\$ 23,033,271</u>

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

TOWN OF COLCHESTER, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	General Fund	Capital Projects Fund	Reserve Fund	Community Development Fund	Grant Fund	Other Governmental Funds	Total Governmental Funds
REVENUES:							
Property Taxes	\$ 7,965,940	\$ 753,755	\$ 82,400	\$ 0	\$ 0	\$ 1,181,085	\$ 9,983,180
Penalties and Interest	119,973	0	0	0	0	0	119,973
Payment in Lieu of Taxes	185,134	0	0	0	0	0	185,134
Intergovernmental Revenues	431,622	666,974	58,132	295,000	345,728	54,110	1,851,566
Impact Fees	0	0	0	0	0	41,160	41,160
Contributions and Donations	0	21,575	0	0	0	0	21,575
Charges for Services	640,705	21,199	57,845	0	0	519,459	1,239,208
Investment Income/(Loss)	57,269	20,417	8,801	780	497	(1,135)	86,629
Licenses and Permits	248,985	0	0	0	0	0	248,985
Loan Repayments	0	0	0	0	0	28,242	28,242
Other Revenues	24,356	1,944	0	0	627	0	26,927
Total Revenues	9,673,984	1,485,864	207,178	295,780	346,852	1,822,921	13,832,579
EXPENDITURES:							
Current:							
General Government	2,415,691	322	114,843	0	7,090	0	2,537,946
Public Safety	4,155,960		1,945	0	24,960	28,219	4,211,084
Public Works	1,758,437	3,132	0	0	149,228	17,922	1,928,719
Community Development	0	0	0	297,123	35,650	0	332,773
Culture & Recreation	1,114,248	18,537	0	0	47	484,030	1,616,862
Capital:							
General Government	26,057	595,244	6,597	0	0	0	627,898
Public Safety	20,291	30,948	13,585	0	168,052	200,260	433,136
Public Works	0	1,108,897	0	0	0	143,691	1,252,588
Culture & Recreation	8,177	7,938	0	0	0	87,680	103,795
Debt Service:							
Principal	0	0	0	0	0	585,042	585,042
Interest	0	0	0	0	0	322,222	322,222
Total Expenditures	9,498,861	1,765,018	136,970	297,123	385,027	1,869,066	13,952,065
Excess/(Deficiency) of Revenues Over Expenditures	175,123	(279,154)	70,208	(1,343)	(38,175)	(46,145)	(119,486)
Other Financing Sources/(Uses):							
Proceeds of Long-term Debt	0	0	0	0	0	3,829	3,829
Proceeds from Sale of Equipment	0	0	0	0	26,183	0	26,183
Transfers In	531	122,355	99,690	0	0	25,000	247,576
Transfers Out	(124,690)	0	0	0	(122,886)	0	(247,576)
Total Other Financing Sources/(Uses)	(124,159)	122,355	99,690	0	(96,703)	28,829	30,012
Net Change in Fund Balances	50,964	(156,799)	169,898	(1,343)	(134,878)	(17,316)	(89,474)
Fund Balances - July 1, 2008	1,462,622	3,181,974	990,329	73,059	142	939,607	6,647,733
Fund Balances/(Deficit) - June 30, 2009	\$ 1,513,586	\$ 3,025,175	\$ 1,160,227	\$ 71,716	\$ (134,736)	\$ 922,291	\$ 6,558,259

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

TOWN OF COLCHESTER, 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, 2009

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)	\$	(89,474)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost (\$2,417,417) of those assets is allocated over their estimated useful lives and reported as depreciation expense (\$858,367). This is the amount by which capital outlays exceeded depreciation in the current period.		1,559,050
Noncash capital contributions are revenues that do not provide current financial resources and therefore are not reported as revenues in the funds.		75,825
The net effect of various transactions involving capital assets (i.e., sales, trade-ins) is to decrease net assets.		(140,015)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		184,448
The issuance of long-term debt (\$3,829) (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt (\$585,042) consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.		581,213
The issuance of loans receivable (\$15,974) consumes current financial resources of governmental funds, while the repayment of the principal of loans receivable (\$28,242) provides current financial resources to governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of loans receivable.		(12,268)
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.		<u>(16,845)</u>
Change in net assets of governmental activities (Exhibit B)	\$	<u><u>2,141,934</u></u>

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

TOWN OF COLCHESTER, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenue:			
Real Estate Taxes	\$ 8,133,159	\$ 8,085,913	\$ (47,246)
Licenses and Permits	256,789	255,277	(1,512)
Charges for Services	623,257	696,265	73,008
State Aid Highway	180,573	175,398	(5,175)
Payments in Lieu of Taxes	151,088	185,134	34,046
School Payment	45,451	30,533	(14,918)
Interest	205,000	57,269	(147,731)
Miscellaneous	10,500	24,356	13,856
Grant Income	20,000	20,000	0
Act 60 and Act 68 Reimbursement	31,800	52,339	20,539
Sewer Fund Contribution	91,500	91,500	0
Reserve Fund Contribution	30,000	0	(30,000)
Grant Fund Contribution	<u>0</u>	<u>531</u>	<u>531</u>
 Total Revenue	 <u>9,779,117</u>	 <u>9,674,515</u>	 <u>(104,602)</u>
Expenditures:			
Administration	2,248,144	2,082,483	165,661
Buildings, Grounds and Maintenance	450,896	472,353	(21,457)
Purchase and Maintain Equipment	44,610	28,979	15,631
Public Safety	4,362,632	4,197,460	165,172
Public Works, Highway and Garage	1,799,191	1,778,728	20,463
Health	44,517	45,078	(561)
Cemetery	22,500	15,351	7,149
Recreation	310,152	299,895	10,257
Library	567,884	520,052	47,832
Intergovernmental	<u>213,591</u>	<u>183,172</u>	<u>30,419</u>
 Total Expenditures	 <u>10,064,117</u>	 <u>9,623,551</u>	 <u>440,566</u>
Excess/(Deficiency) of Revenue Over Expenditures	 <u>\$ (285,000)</u>	 50,964	 <u>\$ 335,964</u>
Fund Balance - July 1, 2008		<u>1,462,622</u>	
Fund Balance - June 30, 2009		<u>\$ 1,513,586</u>	

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

TOWN OF COLCHESTER, VERMONT
STATEMENT OF NET ASSETS
PROPRIETARY FUND
JUNE 30, 2009

	Wastewater Fund
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 966,727
Investments	1,744,107
Receivables (Net of Allowance for Uncollectible Accounts)	303,951
Special Assessment Receivable - Current Portion	130,000
Inventory	5,010
Total Current Assets	3,149,795
Noncurrent Assets:	
Special Assessment Receivable - Long-Term Portion	2,085,000
Capital Assets	
Land	132,568
Plant and Equipment	6,197,553
Accumulated Depreciation	(2,568,354)
Total Noncurrent Assets	5,846,767
Total Assets	\$ 8,996,562
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts Payable	\$ 32,355
Accrued Payroll and Benefits Payable	103
Accrued Interest Payable	12,685
Due to Other Funds	30,640
Special Assessment Debt with Governmental Commitment - Due within One Year	130,000
General Obligation Bonds Payable - Due Within One Year	79,048
Total Current Liabilities	284,831
Noncurrent Liabilities:	
Special Assessment Debt With Governmental Commitment - Due in More Than One Year	2,085,000
General Obligation Bonds Payable - Due in More Than One Year	711,432
Total Noncurrent Liabilities	2,796,432
Total Liabilities	3,081,263
<u>NET ASSETS</u>	
Investment in Capital Assets, Net of Related Debt	2,971,287
Restricted	6,600
Unrestricted	2,937,412
Total Net Assets	5,915,299
Total Liabilities and Net Assets	\$ 8,996,562

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

TOWN OF COLCHESTER, VERMONT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Wastewater Fund</u>
OPERATING REVENUES:	
Charges for Services	\$ <u>771,020</u>
Total Operating Revenues	<u>771,020</u>
OPERATING EXPENSES:	
Sewage Treatment	284,413
Other Purchased Services	91,500
Chemicals	31,177
Repairs and Maintenance	21,738
Utilities	34,562
General Expense	19,762
Depreciation	<u>149,972</u>
Total Operating Expenses	<u>633,124</u>
Operating Income	<u>137,896</u>
NONOPERATING REVENUES (EXPENSES):	
Interest Income on Debt Service Special Assessment	219,300
Investment Income	41,360
Interest Expense	<u>(155,533)</u>
Total Nonoperating Revenues (Expenses)	<u>105,127</u>
Change in Net Assets	243,023
Total Net Assets - July 1, 2008	<u>5,672,276</u>
Total Net Assets - June 30, 2009	\$ <u><u>5,915,299</u></u>

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

TOWN OF COLCHESTER, VERMONT
 STATEMENT OF CASH FLOWS
 PROPRIETARY FUND
 FOR THE YEAR ENDED JUNE 30, 2009

	Wastewater Fund
Cash Flows From Operating Activities:	
Receipts from Customers and Users	\$ 756,314
Payments to Suppliers	(381,259)
Payments for Interfund Services	(91,500)
Payments for Wages and Benefits	(6,357)
	277,198
Net Cash Provided by Operating Activities	277,198
Cash Flows From Noncapital Financing Activities:	
Net Change in Due To/From Other Funds	470,363
	470,363
Net Cash Provided by Noncapital Financing Activities	470,363
Cash Flows From Capital and Related Financing Activities:	
Special Assessments Received	115,000
Principal Paid on Long-Term Notes and Bonds	(194,048)
Interest Paid on Long-Term Notes and Bonds	(156,196)
	(235,244)
Net Cash Provided/(Used) by Capital and Related Financing Activities	(235,244)
Cash Flows From Investing Activities:	
Receipt of Interest and Dividends	260,660
Net Decrease in Investments	10,801
	271,461
Net Cash Provided by Investing Activities	271,461
Net Increase in Cash	783,778
Cash - July 1, 2008	182,949
Cash - June 30, 2009	\$ 966,727
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 137,896
Depreciation	149,972
Increase in Accounts Receivable	(14,706)
Increase in Inventory	(2,198)
Decrease in Accrued Payroll	(27)
Increase in Accounts Payable	6,261
	277,198
Net Cash Provided by Operating Activities	\$ 277,198

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

TOWN OF COLCHESTER, VERMONT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
JUNE 30, 2009

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ <u>65,030</u>
Total Assets	<u>65,030</u>
<u>LIABILITIES</u>	
Due to Others	<u>65,030</u>
Total Liabilities	<u>65,030</u>
Net Assets	\$ <u><u>0</u></u>

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

TOWN OF COLCHESTER, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the Town of Colchester, Vermont (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.

1A. The Financial Reporting Entity

This report includes all of the funds of the Town of Colchester, 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.

1B. 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.

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.

TOWN OF COLCHESTER, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

Government-wide Statements: The statement of net assets 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. 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 – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

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.

The Town reports on the following major governmental funds:

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

Capital Projects Fund – This fund accounts for the capital projects of the Town.

Reserve Fund – This fund accounts for the Town's capital spending reserves for various areas like library renovations, technology and communications.

Community Development Fund – This fund accounts for the Town's community development activity.

Grant Fund – This fund account for the Town's various grant activities.

The Town reports on the following major enterprise fund:

Wastewater Fund – This fund accounts for the wastewater activities of the Town.

TOWN OF COLCHESTER, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

Additionally, the Town reports the following fund types:

Agency Funds – These funds account for monies maintained for Developer Escrow deposits.

1C. 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 assets). Equity (i.e., net total assets) is segregated into invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

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 reserved and unreserved 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.

1D. Basis of Accounting

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

The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when occurred 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.

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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 assets 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.

The government-wide and proprietary fund financial statements follow Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989; Accounting Principles Board (APB) Opinions; and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. As permitted under Statement of Governmental Accounting Standards No. 20, the Town has elected not to apply FASB Statements and Interpretations issued after November 30, 1989.

1E. 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.

1F. Assets, Liabilities and Equity

1F a. 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.

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1F b. 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 financial statements. Unrealized gains and losses are included in revenue.

1F c. 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.

1F d. Internal Balances

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due 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".

1F e. Inventories and Prepaid Expenses

Inventory quantities are determined by physical count and are valued at the lower of cost or market. Inventories in the Governmental Funds consist of vehicle fuel, sand, salt and gravel.

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

Reported inventories and prepaid expenses of governmental funds in the fund financial statements are offset by a fund balance reserve which indicates that they do not constitute "available expendable resources" even through they are a component of net current assets.

1F f. 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 the fiscal year ended June 30, 2004. The Town has elected to not report major general infrastructure assets retroactively.

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Depreciable 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	\$ 10,000	N/A
Land Improvements	\$ 10,000	30-50 Years
Buildings and Building Improvements	\$ 10,000	25-125 Years
Vehicles	\$ 5,000	7-30 Years
Infrastructure	\$ 10,000	5-50 Years
Equipment	\$ 5,000	4-10 Years
Furniture	\$ 5,000	5-10 Years
Wastewater Plant and Equipment	\$ 10,000	10-50 Years

The Town does not capitalize its Library books because the books are considered a collection.

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 incurred.

1F g. Compensated Absences

It is the policy of the Town of Colchester to permit employees to accumulate earned but unused vacation benefits up to two-hundred eighty (280) hours for Town employees and two hundred forty (240) hours for police officers. Town employees can accumulate unused sick benefits up to one-thousand twenty-four (1024) hours of which the Town is liable for up to one-third upon termination prior to reaching age 62 or up to one-half after reaching age 62. Members of the Police union are not entitled to a payout of sick benefits upon separation from service. The accrual for unused compensated absences, based on current pay rates, is recorded in the government-wide and proprietary fund financial statements. The liability for unused compensated absences is not reported in the governmental fund financial statements. Payments for unused compensated absences are recorded as expenditures in the year they are paid.

1F h. Long-term Liabilities

Long-term liabilities include bonds payable, capital leases and other obligations such as compensated absences and Community Development loans due to the State. Long-term liabilities are reported in the government-wide and proprietary fund financial statements. Governmental fund financial statements do not include any long-term liabilities as those statements use the current financial resources measurement focus and only include current assets and liabilities on their balance sheets.

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1F i. Fund Equity

Fund balances and net assets are classified based upon any restrictions that have been placed on those balances or any tentative plans management may have made for those balances. Reservations of fund balances and restrictions of net assets represent amounts that cannot be appropriated or are legally restricted for a specific purpose by a grant, contract, or other binding agreement. Designations of fund balance represent tentative management plans that are subject to change. Undesignated fund balances are available for future appropriations.

**2. 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, while 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 occur. Long-term expense differences arise because governmental funds report expenditures (including interest) using the modified accrual basis of accounting, whereas government-wide statements report expenses using the accrual basis of accounting.

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

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

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2A. Governmental Funds Balance Sheet and the Statement of Net Assets

The differences between the governmental funds balance sheet and government-wide statement of net assets are as follows:

	<u>Balance Sheet</u>	<u>Long-term Revenues/ Expenses</u>	<u>Capital Related Items</u>	<u>Long-term Debt Transactions</u>	<u>Elimination of Interfund Balances</u>	<u>Statement of Net Assets</u>
ASSETS						
Cash	\$ 6,227,317	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,227,317
Investments	1,015,741	0	0	0	0	1,015,741
Receivables	650,919	0	0	0	0	650,919
Notes Receivable	524,153	0	0	0	0	524,153
Prepaid Expenses	7,500	0	0	0	0	7,500
Due From Other Funds	1,254,473	0	0	0	(1,223,833)	30,640
Inventories	46,920	0	0	0	0	46,920
Capital Assets	<u>0</u>	<u>0</u>	<u>24,008,220</u>	<u>0</u>	<u>0</u>	<u>24,008,220</u>
Total Assets	<u>9,727,023</u>	<u>0</u>	<u>24,008,220</u>	<u>0</u>	<u>(1,223,833)</u>	<u>32,511,410</u>
LIABILITIES						
Accounts Payable	512,846	0	0	0	0	512,846
Accrued Payroll and Benefits Payable	220,254	0	0	0	0	220,254
Due to Other Funds	1,223,833	0	0	0	(1,223,833)	0
Deferred Revenue	1,143,630	(952,488)	0	0	0	191,142
Other Accrued Expenses	5,000	0	0	0	0	5,000
Due to Others	63,201	0	0	0	0	63,201
Accrued Interest Payable	0	25,484	0	0	0	25,484
Noncurrent Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,460,212</u>	<u>0</u>	<u>8,460,212</u>
Total Liabilities	<u>3,168,764</u>	<u>(927,004)</u>	<u>0</u>	<u>8,460,212</u>	<u>(1,223,833)</u>	<u>9,478,139</u>
NET ASSETS						
Invested in Capital Assets	0	0	24,008,220	(5,641,099)	0	18,367,121
Other	<u>6,558,259</u>	<u>927,004</u>	<u>0</u>	<u>(2,819,113)</u>	<u>0</u>	<u>4,666,150</u>
Total Net Assets	<u>\$ 6,558,259</u>	<u>\$ 927,004</u>	<u>\$ 24,008,220</u>	<u>\$ (8,460,212)</u>	<u>\$ 0</u>	<u>\$ 23,033,271</u>

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2B. Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities

The differences between the governmental funds statement of revenues, expenditures and changes in fund balances and government-wide statement of activities are as follows:

	Statement of Revenue, Expenditures and Changes in Fund Balances	Long-term Revenues/ Expenses	Capital Related Items	Long-term Debt Transactions	Reclassifications and Elimination of Interfund Activity	Statement of Activities
REVENUES						
Property Taxes	\$ 9,983,180	\$ (8,799)	\$ 0	\$ 0	\$ 0	\$ 9,974,381
Penalties and Interest	119,973	0	0	0	0	119,973
Payment In Lieu of Taxes	185,134	0	0	0	0	185,134
Intergovernmental Revenues	1,851,566	0	0	0	(1,851,566)	0
Impact Fees	41,160	0	0	0	(41,160)	0
Contributions and Donations	21,575	0	0	0	(21,575)	0
Charges for Services	1,239,208	(6,105)	0	0	198,645	1,431,748
Investment Income	86,629	0	0	0	0	86,629
Licenses and Permits	248,985	0	0	0	(248,985)	0
Loan Repayments	28,242	(28,242)	0	0	0	0
Other Revenues	26,927	0	0	0	0	26,927
Operating Grants & Contributions	0	50,210	0	0	1,120,320	1,170,530
Capital Grants & Contributions	0	149,142	75,825	0	752,821	977,788
Proceeds of Long-term Debt	3,829	0	0	(3,829)	0	0
Proceeds from Sale of Equipment	26,183	0	(26,183)	0	0	0
Transfers from Other Funds	247,576	0	0	0	(247,576)	0
Total Revenues	14,110,167	156,206	49,642	(3,829)	(339,076)	13,973,110
EXPENDITURES						
General Government	2,537,946	(6,722)	83,638	0	(91,500)	2,523,362
Public Safety	4,211,084	21,464	157,595	0	0	4,390,143
Public Works	1,928,719	2,350	497,087	0	0	2,428,156
Community Development	332,773	(16,364)	0	0	0	316,409
Culture and Recreation	1,616,862	2,131	233,879	0	0	1,852,872
Capital:						
General Government	627,898	0	(627,898)	0	0	0
Public Safety	433,136	0	(433,136)	0	0	0
Public Works	1,252,588	0	(1,252,588)	0	0	0
Culture and Recreation	103,795	0	(103,795)	0	0	0
Debt Service:						
Principal	585,042	0	0	(585,042)	0	0
Interest	322,222	(1,988)	0	0	0	320,234
Transfers to Other Funds	247,576	0	0	0	(247,576)	0
Total Expenditures	14,199,641	871	(1,445,218)	(585,042)	(339,076)	11,831,176
Net Change for the Year	\$ (89,474)	\$ 155,335	\$ 1,494,860	\$ 581,213	\$ 0	\$ 2,141,934

TOWN OF COLCHESTER, VERMONT
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3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

3A. Budgetary Information

Budgets are approved at the annual Town Meeting in March. Budget changes within a department, which do not change the total expenditures, require approval of the Town Manager. Budget changes between departments, which do not change the total expenditures, require Selectboard approval. Voter approval is required before expenditures exceed 102% of the voter approved budget.

3B. Budgeted Deficit

The Town budgeted a current year's deficit of \$285,000 in the General Fund in order to utilize a portion of previous years surplus. This amount is reflected as a budgeted deficiency of revenue over expenditures in Exhibit F.

4. DETAILED NOTES ON ALL FUNDS

4A. Cash and Investments

Cash and Investments at June 30, 2009 consisted of the following:

Demand Deposits with Financial Institutions	\$ 7,253,679
Cash on Hand	<u>5,395</u>
Total Cash	<u>7,259,074</u>
Certificates of Deposit	2,388,300
U.S. Treasury Strips	335,338
Mutual Funds	<u>36,210</u>
Total Investments	<u>2,759,848</u>
Total Cash and Investments	\$ <u><u>10,018,922</u></u>

The investment policy of the Town, excluding funds under the control of the Cemetery Commissioners, is to ensure safety, liquidity and yield, in that order of priority. The Treasurer may invest in certificates of deposit, repurchase agreements and bank money market accounts. Investments in other instruments require prior approval of the Selectboard. The policy also indicates that all holdings are to be insured. The Selectboard has approved the Town's holdings.

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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 county-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 its exposure to custodial credit risk. The mutual funds and U.S. Treasury Strips are not exposed to custodial credit risk. The table below shows the custodial credit risk of the Town's deposits and certificates of deposit.

	<u>Book Balance</u>	<u>Bank Balance</u>
Insured - FDIC/SIPC	\$ 771,341	\$ 943,287
Uninsured, Collateralized by U.S. Government 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 or Irrevocable Standby Letter of Credit	8,870,638	8,797,463
	<u>\$ 9,641,979</u>	<u>\$ 9,740,750</u>

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

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Town's certificates of deposit are not subject to interest rate risk disclosure. The Town's policy does not limit its exposure to interest rate risk.

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Information about the sensitivity of the fair values of the Town's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Town's investments by maturity. Mutual funds are shown at their weighted average maturity (if available) and the U.S. Treasury Strips are shown at their actual maturity.

Investment Type	Remaining Maturity					Total
	Less Than 1 Year	1 to 5 Years	5 to 10 Years	10 to 15 Years	Not Available	
Mutual Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 36,210	\$ 36,210
U.S. Treasury Strips	35,976	136,568	139,144	23,650	0	335,338
Total	\$ 35,976	\$ 136,568	\$ 139,144	\$ 23,650	\$ 36,210	\$ 371,548

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The U.S. Treasury Strips are exempt from this analysis. The mutual funds are open-ended and are therefore excluded from the credit risk analysis.

Concentration of Credit Risk

Concentration of credit risk is the risk that a large percentage of the Town's investments are held within one security. The Town does not have any limitations on the amount that can be invested in any one issuer. The Town has no investments subject to concentration of credit risk.

4B. Receivables

Receivables at June 30, 2009, 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	218,386	0	218,386
Penalties and Interest	33,036	0	33,036
Ambulance Receivables	87,087	0	87,087
Accounts Receivable	42,926	0	42,926
Due from Other Governments	304,484	0	304,484
Billed Services	0	39,900	39,900
Unbilled Services	0	264,051	264,051
Special Assessments - Current Portion *	0	130,000	130,000
Special Assessments - Long-Term Portion *	0	2,085,000	2,085,000
Allowance for Doubtful Accounts	(35,000)	0	(35,000)
	<u>650,919</u>	<u>2,518,951</u>	<u>3,169,870</u>

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* The special assessments receivable represents money that will be received by the Town from sewer customers to pay specific sewer bonds described in Note 4G.

4C. Notes Receivable

Notes Receivable are as follows:

Note Receivable - Holy Cross Senior Housing Partnership, Principal and Interest Payments Deferred until October, 2017, Interest at 1%, Monthly Principal and Interest Payments of \$1,380 due thereafter until October 31, 2037	\$ 300,000
Note Receivable - Champlain Housing Trust Corporation, 0% Interest, Principal Balloon Payment due August 30, 2021, Collateralized by 3 rd Mortgage on Land and Premises at 1302 Ethan Allen Drive	190,000
Note Receivable - Champlain Housing Trust Corporation, 0% Interest, Deferred Until August, 2036	65,778
Notes Receivable – Twelve Loans to Residents for On-Site Sewage Disposal Systems and Potable Water Service, Interest at 3%, Principal and Interest Due Monthly Over Twenty (20) Years, Secured by Liens on Properties, Repayment of the Income from the Loans will be Used to Pay the Related Septic Improvement Loan Program Bonds Described in Note 4G	<u>177,458</u>
Total Notes Receivable	733,236
Discount on Notes Receivable	<u>(209,083)</u>
Net Notes Receivable	<u>\$ 524,153</u>

TOWN OF COLCHESTER, VERMONT
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4D. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,104,936	\$ 0	0	\$ 2,104,936
Construction in Progress	3,746,734	1,754,547	3,860,915	1,640,366
Total Capital Assets, Not Being Depreciated	<u>5,851,670</u>	<u>1,754,547</u>	<u>3,860,915</u>	<u>3,745,302</u>
Capital Assets, Being Depreciated:				
Land Improvements	1,154,891	0	0	1,154,891
Buildings and Building Improvements	3,259,467	3,698,938	0	6,958,405
Equipment and Furniture	984,662	252,992	20,026	1,217,628
Vehicles	2,800,331	407,335	311,576	2,896,090
Infrastructure	12,353,769	263,094	0	12,616,863
Totals	<u>20,553,120</u>	<u>4,622,359</u>	<u>331,602</u>	<u>24,843,877</u>
Less Accumulated Depreciation for:				
Land Improvements	474,211	38,281	0	512,492
Buildings and Building Improvements	1,077,397	103,293	0	1,180,690
Equipment and Furniture	483,772	102,058	19,358	566,472
Vehicles	1,229,097	218,369	149,480	1,297,986
Infrastructure	626,953	396,366	0	1,023,319
Totals	<u>3,891,430</u>	<u>858,367</u>	<u>168,838</u>	<u>4,580,959</u>
Total Capital Assets, Being Depreciated	<u>16,661,690</u>	<u>3,763,992</u>	<u>162,764</u>	<u>20,262,918</u>
Governmental Activities Capital Assets, Net	<u>\$ 22,513,360</u>	<u>\$ 5,518,539</u>	<u>\$ 4,023,679</u>	<u>\$ 24,008,220</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 132,568	\$ 0	\$ 0	\$ 132,568
Total Capital Assets, Not Being Depreciated	<u>132,568</u>	<u>0</u>	<u>0</u>	<u>132,568</u>
Capital Assets, Being Depreciated:				
Plant and Equipment				
10 Years	7,807	0	0	7,807
25 Years	1,159,789	0	0	1,159,789
30 Years	18,075	0	0	18,075
40 Years	323,679	0	0	323,679
50 Years	4,688,203	0	0	4,688,203
Totals	<u>6,197,553</u>	<u>0</u>	<u>0</u>	<u>6,197,553</u>
Less Accumulated Depreciation for:				
Plant and Equipment	2,418,382	149,972	0	2,568,354
Totals	<u>2,418,382</u>	<u>149,972</u>	<u>0</u>	<u>2,568,354</u>
Total Capital Assets, Being Depreciated	<u>3,779,171</u>	<u>(149,972)</u>	<u>0</u>	<u>3,629,199</u>
Business-Type Activities Capital Assets, Net	<u>\$ 3,911,739</u>	<u>\$ (149,972)</u>	<u>\$ 0</u>	<u>\$ 3,761,767</u>

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Depreciation was charged as follows:

Governmental Activities: General Government \$ 83,639 Public Works 157,261 Public Safety 488,429 Culture & Recreation <u>129,038</u>	Business - Type Activities: Wastewater \$ <u>149,972</u>
Total Depreciation Expense - Governmental Activities \$ <u><u>858,367</u></u>	Total Depreciation Expense - Business-Type Activities \$ <u><u>149,972</u></u>

4E. Interfund Balances and Transfers

The composition of interfund balances at June 30, 2009, is as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 0	\$ 1,003,764
Capital Projects Fund	751,154	0
Reserve Fund	70,989	0
Grant Fund	0	220,069
Wastewater Fund	0	30,640
Other Governmental Funds	<u>432,330</u>	<u>0</u>
 Total	 <u><u>\$ 1,254,473</u></u>	 <u><u>\$ 1,254,473</u></u>

Interfund transfers during the year ended June 30, 2009 were as follows:

<u>Transfer To</u>	<u>Amount</u>	<u>Transfer From</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	\$ 531	Grant Fund	\$ 531	Reimburse for Library Resource Sharing Grant
Reserve Fund	74,690	General Fund	74,690	Establish Reappraisal Reserve
Reserve Fund	21,500	General Fund	21,500	Establish Reserve Funds
Reserve Fund	3,500	General Fund	3,500	Establish Reserve for Library Furnace
Cemetery Fund	1,000	General Fund	1,000	Budgeted Transfer
Recreation Acquisition and Development Fund	4,000	General Fund	4,000	Budgeted Transfer
Capital Equipment Fund	20,000	General Fund	20,000	Transfer Marine Safety Grant
Capital Projects Fund	3,830	Grant Fund	3,830	Transfer LCIF Grant
Capital Projects Fund	<u>118,525</u>	Grant Fund	<u>118,525</u>	Reimburse Stormwater Related Expenses Reimbursed by Demo Grant
Total	<u><u>\$ 247,576</u></u>		<u><u>\$ 247,576</u></u>	

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JUNE 30, 2009

4F. Deferred Revenue

Deferred Revenue in the General Fund consists of \$199,010 of delinquent taxes, penalty and interest on taxes and \$11,677 of ambulance receivables that were not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities. It also includes \$20,587 of prepaid taxes and \$10,000 of other prepaid fees. Total deferred revenue in the General Fund is \$241,274.

Deferred Revenue in the Capital Projects Fund consist of \$164,855 of grant receivables not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities.

Deferred Revenue in the Community Development Fund consists of \$346,695 of loans receivable not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities.

Deferred Revenue in the Grant Fund consist of \$52,793 of grant receivables not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities and \$61,775 of grant monies advanced to the Town for various purposes that was not spent as of June 30, 2009. Total deferred revenue in the Grant Fund is \$114,568.

Deferred Revenue in the Other Governmental Funds consists of \$177,458, of loans receivable not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities and \$98,780 of recreation fees received in advance. This revenue will be earned when the receivable is collected and recreation programs are provided. Total Deferred Revenue in the Other Governmental Funds is \$276,238.

4G. Long-term Liabilities

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. Refunding bonds are issued for various terms based on the debt service of the debt refunded.

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

TOWN OF COLCHESTER, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

Long-term liabilities outstanding as of June 30, 2009 were as follows:

	<u>Beginning Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2009</u>
<u>Business-Type Activities</u>				
Bond Payable - Vermont Municipal Bond Bank, Sewer System Expansion, Annual Principal Payments Ranging from \$60,000 to \$155,000 on December 1 through 2020, Various Interest Rates, Currently at 7.0%, Interest Paid Semi-Annually on June 1 and December 1	\$1,385,000	\$ 0	\$ 70,000	\$1,315,000
Bond Payable - Vermont Municipal Bond Bank, Sewer System Expansion, Principal Payments Ranging from \$35,000 to \$90,000 on December 1 through 2021, Various Interest Rates, Currently at 7.0%, Interest Paid Semi- Annually on June 1 and December 1	845,000	0	35,000	810,000
Bond Payable - Vermont Municipal Bond Bank, Sewer System Expansion, Principal Payments Ranging from \$10,000 to \$15,000 Due Annually on December 1 through 2014, Various Interest Rates, Currently at 6.2%, Interest Paid Semi-Annually on June 1 and December 1	100,000	0	10,000	90,000
Bond Payable - State of Vermont Special Environmental Revolving Loan Fund, Sewer System - Breezy Acres Trailer Park, 0% Interest, \$79,048 Principal Payments Due Annually in July until 2019	<u>869,528</u>	<u>0</u>	<u>79,048</u>	<u>790,480</u>
Total Business-Type Activities	<u>\$3,199,528</u>	<u>\$ 0</u>	<u>\$194,048</u>	<u>\$3,005,480</u>

TOWN OF COLCHESTER, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

	<u>Beginning Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2009</u>
<u>Governmental Activities</u>				
Bond Payable - Vermont Municipal Bond Bank, Highway Improvements, Annual Principal Payments of \$150,000 Due on December 1 through 2009, Various Interest Rates, Currently at 6.75%, Interest Paid Semi-Annually on June 1 and December 1	\$ 300,000	\$ 0	\$ 150,000	\$ 150,000
Bond Payable - State of Vermont Special Environmental Revolving Loan Fund, Malletts Bay Sewer Study, 0% Interest, Principal Payments of \$10,778 Due Annually from April 1, 2004 through April 1, 2013	53,886	0	10,778	43,108
Bond Payable - State of Vermont Special Environmental Revolving Loan Fund, Belwood Drainage Project, 0% Interest, Principal Payments of \$49,642 Due Annually from October 1, 2004 through December 1, 2023	794,265	0	49,642	744,623
Bond Payable - State of Vermont Special Environmental Revolving Loan Fund, Septic System Improvement Loan Program, Interest at 2%, Annual Principal and Interest Payments of \$9,174 Due each April through 2027	143,826	0	6,297	137,529
Bond Payable - State of Vermont Special Environmental Revolving Loan Fund, Septic System Improvement Loan Program, Interest at 2%, Annual Principal And Interest Payments of \$4,941 Due each April through 2028	76,967	3,829	3,325	77,471

TOWN OF COLCHESTER, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

	<u>Beginning Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2009</u>
Bond Payable – Vermont Municipal Bond Bank, Building Renovations, Principal Payments of \$310,000 Due on December 1 Through 2027, Various Interest Rates, Currently at 3.865%, Interest Paid Semi- Annually on June 1 and December 1	\$6,140,000	\$ 0	\$ 310,000	\$5,830,000
Bond Payable – Vermont Municipal Bond Bank, Bayside Property Purchase, Principal Payments of \$55,000 Due on December 1 Through 2024, Various Interest Rates, Currently at 2.85%, Interest Paid Semi- Annually on June 1 and December 1	<u>935,000</u>	<u>0</u>	<u>55,000</u>	<u>880,000</u>
Total Notes and Bonds Payable - Governmental Activities	<u>\$8,443,944</u>	<u>\$ 3,829</u>	<u>\$ 585,042</u>	<u>\$7,862,731</u>

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
General Obligation Bonds	\$ 8,443,944	\$ 3,829	\$ 585,042	\$ 7,862,731	\$ 585,235
Compensated Absences	527,353	29,647	0	557,000	0
Due to State	<u>40,871</u>	<u>0</u>	<u>390</u>	<u>40,481</u>	<u>0</u>
Total Governmental Activities Long-term Liabilities	<u>\$ 9,012,168</u>	<u>\$ 33,476</u>	<u>\$ 585,432</u>	<u>\$ 8,460,212</u>	<u>\$ 585,235</u>
Business-type Activities					
Special Assessment Debt with Governmental Commitment	\$ 2,330,000	\$ 0	\$ 115,000	\$ 2,215,000	\$ 130,000
General Obligation Bonds Payable	<u>869,528</u>	<u>0</u>	<u>79,048</u>	<u>790,480</u>	<u>79,048</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 3,199,528</u>	<u>\$ 0</u>	<u>\$ 194,048</u>	<u>\$ 3,005,480</u>	<u>\$ 209,048</u>

TOWN OF COLCHESTER, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

As part of the Town's community development loan program that was originally funded by the State of Vermont, the Town is required to repay the State based on loan repayments. The agreement requires the Town to repay one-half of the annual repayments to the State of Vermont up to a cumulative total of \$80,000. The current balance is \$40,481.

Compensated Absences are paid by the applicable fund where the employee is charged.

Debt service requirements to maturity are as follows:

Year Ending June 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2010	585,235	297,999	209,048	147,770
2011	435,430	278,486	219,048	138,524
2012	435,631	263,711	224,048	128,750
2013	435,831	248,619	234,048	118,480
2014	425,265	233,246	239,048	107,714
2015-2019	2,114,603	929,004	1,325,240	357,883
2020-2024	2,110,466	514,733	555,000	48,031
2025-2029	1,320,270	116,815	0	0
Total	\$ 7,862,731	\$ 2,882,613	\$ 3,005,480	\$ 1,047,152

4H. Reserved and Designated Fund Balances

The reserved fund balances of the Town as of June 30, 2009 consisted of the following:

General Fund:	
Reserved for Prepaid Expenses	\$ 7,500
Reserved for Inventory	<u>46,920</u>
Total General Fund	<u>54,420</u>
Special Revenue Funds:	
Reserved for Community Development	
By Grant Agreements	71,716
Reserved for Septic Loan Program by Bond Proceeds	38,320
Reserved for Cemetery by Trust Agreements – Nonexpendable	86,435
Reserved for Cemetery by Trust Agreements – Expendable	39,373
Reserved for Law Enforcement by Grant Agreements	<u>195,991</u>
Total Reserved Special Revenue Funds	<u>431,835</u>

TOWN OF COLCHESTER, VERMONT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2009

Capital Projects Funds:	
Reserved for Facilities Upgrade Expenditures by Bond Proceeds	\$1,963,524
Reserved for Recreation Acquisition and Development by Impact Fees	<u>144,947</u>
Total Capital Projects Funds	<u>2,108,471</u>
Permanent Fund:	
Reserved for Burnham Memorial Library Fund by Donations	<u>11,073</u>
Total Reserved Fund Balances	<u>\$2,605,799</u>

The designated fund balances of the Town as of June 30, 2009 consisted of the following:

Special Revenue Funds:	
Designated for Reserve Fund Expenses of Reappraisal, Technology, Restoration of Records, Public Safety Communications and Bridge Repairs	\$1,160,227
Designated for Recreation Programs	<u>163,310</u>
Total Special Revenue Funds	<u>1,323,537</u>
Debt Service Funds:	
Designated for Future Debt Service	<u>96,857</u>
Capital Projects Funds:	
Designated for Future Capital Projects	1,061,651
Designated for Capital Equipment	<u>145,985</u>
Total Capital Projects Funds	<u>1,207,636</u>
Total Designated Fund Balances	<u>\$2,628,030</u>

The negative unreserved fund balance of \$134,736 in the Grant Fund will be funded with future grant revenues.

TOWN OF COLCHESTER, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

4I. Restricted and Designated Net Assets

The restricted net assets of the Town as of June 30, 2009 consisted of the following:

Governmental Activities:	
Community Development by Grant Agreements	\$377,930
Community Development - Unspent Bond Proceeds	38,320
Cemetery Trust Agreements - Non-Expendable	86,435
Cemetery Trust Agreements - Expendable	39,373
Law Enforcement by Grant Agreements	195,991
Recreation Acquisition/Development by Impact Fees	144,947
Burnham Library by Donations	<u>11,073</u>
 Total Governmental Activities	 <u>\$894,069</u>
 Business-type Activities/Proprietary Fund:	
Breezy Acres Sewer Trust Agreement	\$ <u>6,600</u>
 Total Business-type Activities/Proprietary Fund	 \$ <u>6,600</u>

The designated net assets of the Town as of June 30, 2009 consisted of the following:

Proprietary Fund:	
Designated to Upgrade South Burlington Plant	<u>\$343,550</u>

5. OTHER INFORMATION

5A. PENSION

The Town offers a 401(a) pension plan to all full time employees, except police officers, with one (1) year of service with 100% vesting after five (5) years of service. This plan qualifies, according to the Internal Revenue Service, as a defined contribution pension plan for governmental organizations exempt from income taxes. The Town contributes 7% of each employee's base pay. Employees contribute 1% of their base pay. The International City/County Management Association administers the Plan. The total payroll for the year was \$5,409,763 while the covered payroll was \$2,965,150. Pension expense for the year ended June 30, 2009 was \$207,561.

The Police Officers are covered by the State of Vermont Municipal Employees Retirement System (VMERS) Group C Plan, a defined benefit plan. Under this plan, employees contribute 9% of their gross salary and the Town contributes 6%, except for the three (3) highest ranking officers who contribute 8%, while the Town contributes 7%.

TOWN OF COLCHESTER, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

The Town of Colchester pays all costs accrued each year for the plan. The premise of this plan 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. Due to the nature of this pension plan, net assets available for benefits as well as present value of vested and nonvested plan benefits by municipality are not determinable. Covered payroll for this plan was \$1,675,140. Pension expense for the year was \$102,805.

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

The Town also offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The Town is the administrator of the plan. The plan permits employees to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The 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.

5B. PROPERTY TAXES

The Town is responsible for assessing and collecting its own property taxes, as well as education property taxes for the State. Property taxes are assessed based on property valuations as of April 1 and the approved budgets. Taxes are collected three (3) times per year. During the tax year ended June 30, 2009, taxes became due and payable on August 15, 2008, November 15, 2008 and March 15, 2009. The Town assesses an 8% penalty of delinquent taxes and interest is assessed at 1% per month. Unpaid taxes become an enforceable lien on the property, and such properties are subject to tax sale.

5C. CONTINGENT LIABILITIES

The Town is a participating member in the Chittenden Solid Waste District (CSWD). The Town could be subject to a portion of the District's debt if the District experiences financial problems.

5D. RISK MANAGEMENT

The Town of Colchester, Vermont 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 Colchester, Vermont maintains insurance coverage through the Vermont League of Cities and Towns Property and Casualty Intermunicipal Fund, Inc. covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town. Settled claims have not exceeded this coverage in any of the past three 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 ratesetting policies have been established after consultation with actuaries. Fund members are subject to a supplemental assessment in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund's liabilities.

TOWN OF COLCHESTER, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

In addition, the Town is a member of the Vermont League of Cities and Towns Health Trust. The Health Trust is a nonprofit corporation formed to provide health insurance and wellness programs for Vermont municipalities and is owned by the participating members. The agreement does not permit the Health Trust to make additional assessments to its members. Beginning in 2008, the Town began making contributions to Health Savings Accounts (HSA) on behalf of its employees in order to lower insurance costs.

The Town is also a member of the Vermont League of Cities and Towns Unemployment Insurance Trust. The Unemployment Trust is a nonprofit corporation formed to provide unemployment coverage for Vermont municipalities and is owned by the participating members. The agreement does not permit the Unemployment Trust to make additional assessments to its members.

5E. LANDFILL TRUST

On November 30, 1990, the Town created a trust for the benefit of the State of Vermont Agency of Natural Resources to provide funds for the closure and post-closure costs of the Colchester landfill.

The “Colchester Landfill Vertical Expansion Trust” was created to provide post-closure costs for twenty (20) years and required distributions to the landfill’s owners totaling \$150,000. Any funds remaining after the distributions and all monitoring costs have been paid will be distributed to the Town upon termination of the Trust. The Trust may be terminated by written agreement of the Town, the Trustees and the Secretary of the Vermont Agency of Natural Resources. The balance remaining in the Trust at June 30, 2009 is approximately \$46,732.

5F. ENDOWMENT FUND

On May 5, 1997, the Burnham Memorial Library created an endowment at the Vermont Community Foundation. In doing so, the ownership of the funds passed to the Vermont Community Foundation with the stipulation that the Foundation pay to the Library an amount, determined on an annual basis, to be not less than 5% of the value of the funds as of the end of the previous year. Payments are to be made at least semiannually. The contributions are not reflected on the balance sheet of the Town. In 2009, the Library contributed another \$2,082 to the Foundation. The balance of the Endowment Fund at June 30, 2009 is \$27,978.

5G. LAND LEASE

In August, 1994, the Town of Colchester entered into a land lease agreement with Homestead Design, Inc. The Town will lease land which is adjacent to the Town’s offices to Homestead Design, Inc. for thirty (30) years. The Town will receive lease payments from Homestead Design, Inc. for thirty (30) years. The agreement provides for the construction of a building, which will in turn be rented to a medical center. Homestead Design, Inc. will collect these rent payments. At the end of the thirty (30) year agreement, the building will become property of the Town. The Town will then begin to receive the rental payments from the medical center. A purchase price option is written into the lease whereby the Town can buy the building at a price calculated by applying a 7.15% discount rate to the future cash flows. The current purchase price is \$1,100,966.

TOWN OF COLCHESTER, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009

The schedule of land lease receipts is as follows:

2010	\$ 21,782
2011	22,381
2012	22,996
2013	23,629
2014	24,279
Thereafter	<u>282,709</u>
	\$ <u>397,776</u>

5H. COMMITMENTS AND CONTINGENCIES

The Town has entered into a five year employment agreement with an employee through June 30, 2011. The agreement stipulates the amount of benefits to be provided and conditions of employment or termination.

The Town has also entered into two contracts with unionized employees. The Colchester Police Officers Association and the American Federation of State, County, and Municipal Employees, AFL-CIO Local 1343 agreements expired June 30, 2009. These agreements stipulate various conditions such as the amount of benefits to be provided and conditions of employment.

The Town has an agreement with the City of South Burlington, Vermont to assist in upgrading South Burlington's wastewater treatment facility. This agreement provides capacity rights to the Town of Colchester in exchange for approximately \$8,000,000 (current estimate). The City of South Burlington anticipates issuing twenty year bonds to provide the funding for this project and will then bill the Town of Colchester for its proportionate share of the total project costs. The Town of Colchester plans to pay for these improvements from a combination of cash reserves, grants and rate adjustments. The Town of Colchester has substantially used all of its previous capacity allocation and future development within the Town is dependent on this project.

During fiscal year 2009, the Town signed a contract with an engineer to complete various septic related activities in the Town. The project will be over four years. The Town will pay for 75% of the project with a federal EPA grant of \$1,200,000 and 25% with local funds of \$400,000.

TOWN OF COLCHESTER, VERMONT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Amendments	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUE:					
PROPERTY TAXES	\$ 8,023,159	\$ 0	\$ 8,023,159	\$ 7,965,940	\$ (57,219)
INTEREST ON DELINQUENT TAXES	38,000	0	38,000	43,272	5,272
PENALTIES ON DELINQUENT TAXES	72,000	0	72,000	74,301	2,301
MISC TAX SALE CHARGES	0	0	0	2,400	2,400
LIQUOR LICENSES	3,000	0	3,000	3,250	250
LICENSES-TOWN	4,000	0	4,000	5,090	1,090
DEPT MOTOR VEHICLES	2,400	0	2,400	1,794	(606)
MARRIAGE LICENSES	1,200	0	1,200	2,005	805
CIVIL UNION LICENSES	50	0	50	150	100
DOG LICENSES	8,900	0	8,900	8,335	(565)
PMTS IN LIEU OF TAXES	91,500	0	91,500	115,534	24,034
CURRENT USE HOLD HARMLESS	12,400	0	12,400	12,412	12
VLCT INS DISTRIBUTIONS	0	0	0	11,215	11,215
INTEREST	205,000	0	205,000	57,269	(147,731)
TRANSFER FROM RESERVE FUND	30,000	0	30,000	0	(30,000)
TRANSF FROM WASTEWATER FUND	91,500	0	91,500	91,500	0
TRANSFER FROM GRANT FUND	0	0	0	531	531
MISCELLANEOUS	8,000	0	8,000	11,108	3,108
PROMOTIONAL	0	0	0	217	217
COMMUNITY DEV REVENUE	0	0	0	1,810	1,810
SUPPORT PAYMENTS	47,188	0	47,188	57,188	10,000
MILTON DISPATCH	125,000	0	125,000	124,999	(1)
POLICE	6,500	0	6,500	2,207	(4,293)
CUSI	21,807	0	21,807	28,353	6,546
POLICE ORDINANCE FEES	0	0	0	2,050	2,050
AMBULANCE	230,000	0	230,000	286,299	56,299
TECHNICAL RESCUE REIMBURSEMENTS	1,500	0	1,500	1,436	(64)
RECORDING FEES	120,000	0	120,000	124,035	4,035
ACCESSORY APT/SEASONAL CONV	2,000	0	2,000	600	(1,400)
BUILDING/ZONING PERMITS	150,000	0	150,000	146,695	(3,305)
SEPTIC PERMITS	2,000	0	2,000	2,674	674
DRB LEGAL NOTICES/PH	2,500	0	2,500	755	(1,745)
DRB/BLA APPLICATIONS	16,032	0	16,032	18,191	2,159
EXCAVATION W/ROW	7,900	0	7,900	16,700	8,800
CERTIFICATES OF OCCUPANCY	13,157	0	13,157	9,825	(3,332)
GIS INCOME	350	0	350	20	(330)
ST WW PERMITS	38,000	0	38,000	33,656	(4,344)
VT FIRE SAFETY	1,000	0	1,000	0	(1,000)
ORDINANCE & MAP COPIES	1,000	0	1,000	440	(560)
CERT COPIES OF VITAL RECORDS	9,000	0	9,000	5,924	(3,076)
COPIES AND MAPS	15,000	0	15,000	14,564	(436)
USE OF VAULT	4,000	0	4,000	3,384	(616)
PASSPORTS	32,000	0	32,000	29,045	(2,955)
PASSPORT PHOTOS	4,000	0	4,000	10,299	6,299
ROAD MISCELLANEOUS	2,700	0	2,700	2,068	(632)
DOG CONTROL	1,500	0	1,500	1,920	420
SALE OF COMPOST BINS	0	0	0	1,061	1,061
GREEN MOUNTAIN PASSPORTS	100	0	100	102	2
RECREATION	10,950	0	10,950	12,756	1,806
SENIOR CENTER RENTAL	0	0	0	75	75
DISTRICT COURT FINES	40,000	0	40,000	46,669	6,669
PLANNING & ZONING FINES	5,000	0	5,000	4,122	(878)
ACT 68 REIMBURSEMENT	25,000	0	25,000	45,500	20,500
ACT 60 REIMBURSEMENT	6,800	0	6,800	6,839	39
ANNUAL SCHOOL PAYMENT	45,451	0	45,451	30,533	(14,918)
STATE AID TO HIGHWAYS	180,573	0	180,573	175,398	(5,175)
MARINE ENFORCEMENT	20,000	0	20,000	20,000	0
TOTAL REVENUE	9,779,117	0	9,779,117	9,674,515	(104,602)

TOWN OF COLCHESTER, VERMONT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Amendments	Final Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES:					
SELECTBOARD:					
SALARIES	\$ 5,000	\$ 0	\$ 5,000	\$ 6,500	\$ (1,500)
SOCIAL SECURITY	383	0	383	497	(114)
PROFESSIONAL SERVICES	10,000	0	10,000	0	10,000
TOWN MEETING	5,500	0	5,500	1,735	3,765
TOWN REPORT	2,500	0	2,500	920	1,580
PRINTING & BINDING	3,500	0	3,500	2,033	1,467
MISCELLANEOUS	250	0	250	173	77
CONTINGENCY	50,000	0	50,000	0	50,000
TOTAL SELECTBOARD	77,133	0	77,133	11,858	65,275
CIVIL BOARD:					
SALARIES	11,041	0	11,041	10,660	381
CIVIL BOARD SALARIES	14,400	0	14,400	7,739	6,661
HEALTH INSURANCE	5,124	0	5,124	4,493	631
DENTAL INSURANCE	410	0	410	420	(10)
LIFE/DISABILITY INSURANCE	177	0	177	179	(2)
SOCIAL SECURITY	1,947	0	1,947	1,526	421
RETIREMENT	773	0	773	760	13
UNEMPLOYMENT COMP	275	0	275	323	(48)
WORKERS COMPENSATION	40	0	40	35	5
POSTAGE	1,850	0	1,850	1,256	594
MACHINERY & EQUIPMENT	500	0	500	0	500
MISCELLANEOUS	8,250	0	8,250	5,378	2,872
TOTAL CIVIL BOARD	44,787	0	44,787	32,769	12,018
TOWN MANAGER:					
SALARIES	273,256	0	273,256	284,625	(11,369)
OVERTIME	0	0	0	12	(12)
HEALTH INSURANCE	27,254	0	27,254	29,867	(2,613)
DENTAL INSURANCE	2,477	0	2,477	2,623	(146)
LIFE/DISABILITY INSURANCE	3,712	0	3,712	4,100	(388)
INSURANCE-PACIF/CL BOND/E&O	10,578	0	10,578	10,535	43
SOCIAL SECURITY	21,262	0	21,262	21,083	179
RETIREMENT	18,861	0	18,861	18,705	156
UNEMPLOYMENT COMP	698	0	698	820	(122)
WORKERS COMPENSATION	986	0	986	873	113
MISCELLANEOUS BENEFITS	0	0	0	1,027	(1,027)
PERSONNEL DEVELOPMENT	7,000	0	7,000	3,330	3,670
DUES & PUBLICATIONS	4,400	0	4,400	5,690	(1,290)
PROFESSIONAL SERVICES	9,000	0	9,000	2,000	7,000
LEGAL	25,837	0	25,837	7,273	18,564
LEGAL - UNION NEGOTIATIONS	8,000	0	8,000	10,726	(2,726)
LEGAL - HUMAN RESOURCES	3,000	0	3,000	4,123	(1,123)
UTILITIES	3,291	0	3,291	3,212	79
TELEPHONE	3,604	0	3,604	2,472	1,132
VEHICLE MAINT & TRANSPORTATION	5,500	(4,500)	1,000	87	913
MAINTENANCE - TOWN OFFICE	877	0	877	863	14
ADVERTISING	0	0	0	102	(102)
FLAG REPLACEMENT	400	0	400	857	(457)
ADVERTISING-PUBLIC HEARINGS	800	0	800	392	408
OPERATING SUPPLIES	2,500	0	2,500	2,161	339
POSTAGE	494	0	494	606	(112)
MILEAGE ALLOW & REIMBURSEMENT	0	4,500	4,500	4,620	(120)
MACHINERY & EQUIPMENT	0	0	0	1,715	(1,715)
MISCELLANEOUS	7,150	0	7,150	14,427	(7,277)
GREEN UP VERMONT	500	0	500	350	150
WELLNESS PROGRAMS	0	0	0	550	(550)
TOTAL TOWN MANAGER	441,437	0	441,437	439,826	1,611

TOWN OF COLCHESTER, VERMONT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Amendments	Final Budget	Actual	Variance Favorable (Unfavorable)
COMMUNITY DEVELOPMENT:					
SALARIES	\$ 58,512	\$ 0	\$ 58,512	\$ 59,159	\$ (647)
HEALTH INSURANCE	14,679	0	14,679	12,529	2,150
DENTAL INSURANCE	1,218	0	1,218	1,261	(43)
LIFE/DISABILITY INSURANCE	934	0	934	970	(36)
SOCIAL SECURITY	4,479	0	4,479	4,363	116
RETIREMENT	4,099	0	4,099	4,113	(14)
UNEMPLOYMENT COMP	199	0	199	234	(35)
WORKERS COMPENSATION	214	0	214	190	24
PERSONNEL DEVELOPMENT	2,000	0	2,000	1,125	875
DUES & PUBLICATIONS	750	0	750	795	(45)
PROFESSIONAL SERVICES	8,568	0	8,568	2,767	5,801
LEGAL	0	0	0	1,513	(1,513)
UTILITIES	150	0	150	471	(321)
TELEPHONE	250	0	250	51	199
VEHICLE MAINT & TRANSPORTATION	650	0	650	0	650
MAINTENANCE - TOWN OFFICE	171	0	171	158	13
ADVERTISING	300	0	300	860	(560)
PRINTING & BINDING	2,000	0	2,000	3,699	(1,699)
OPERATING SUPPLIES	150	0	150	417	(267)
POSTAGE	200	0	200	0	200
SOFTWARE	400	0	400	400	0
MISCELLANEOUS	100	0	100	0	100
PUBLIC RELATIONS	0	0	0	250	(250)
TOTAL COMMUNITY DEVELOPMENT	100,023	0	100,023	95,325	4,698
FINANCE:					
SALARIES	169,085	0	169,085	169,642	(557)
OVERTIME	2,700	0	2,700	3,181	(481)
HEALTH INSURANCE	36,713	0	36,713	28,356	8,357
DENTAL INSURANCE	3,822	0	3,822	2,930	892
LIFE/DISABILITY INSURANCE	2,784	0	2,784	2,440	344
INSURANCE-PACIF/CL BOND/E&O	5,829	0	5,829	5,805	24
SOCIAL SECURITY	13,150	0	13,150	12,920	230
RETIREMENT	11,844	0	11,844	10,333	1,511
UNEMPLOYMENT COMP	795	0	795	934	(139)
WORKERS COMPENSATION	629	0	629	557	72
PERSONNEL DEVELOPMENT	1,400	0	1,400	1,156	244
DUES & PUBLICATIONS	675	0	675	389	286
PROFESSIONAL SERVICES	39,000	0	39,000	28,626	10,374
UTILITIES	2,350	0	2,350	1,955	395
TELEPHONE	506	0	506	678	(172)
MAINTENANCE - TOWN OFFICE	627	0	627	850	(223)
OFFICE SUPPLIES	2,800	0	2,800	5,767	(2,967)
POSTAGE	1,603	0	1,603	1,662	(59)
COMPUTERS	17,000	0	17,000	17,364	(364)
MISCELLANEOUS	250	0	250	85	165
TOTAL FINANCE	313,562	0	313,562	295,630	17,932
ASSESSOR:					
SALARIES	102,928	0	102,928	98,117	4,811
LISTER SALARIES	500	0	500	172	328
HEALTH INSURANCE	18,564	0	18,564	16,955	1,609
DENTAL INSURANCE	1,550	0	1,550	1,563	(13)
LIFE/DISABILITY INSURANCE	1,653	0	1,653	1,644	9
INSURANCE-PACIF/CL BOND/E&O	3,232	0	3,232	3,219	13
SOCIAL SECURITY	7,918	0	7,918	7,305	613
RETIREMENT	7,210	0	7,210	6,829	381
UNEMPLOYMENT COMP	373	0	373	438	(65)
WORKERS COMPENSATION	1,356	0	1,356	1,201	155
PERSONNEL DEVELOPMENT	320	0	320	718	(398)

TOWN OF COLCHESTER, VERMONT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Amendments	Final Budget	Actual	Variance Favorable (Unfavorable)
ASSESSOR/(CONT'D):					
DUES & PUBLICATIONS	\$ 40	\$ 0	\$ 40	\$ 40	\$ 0
PROFESSIONAL SERVICES	10,275	0	10,275	10,256	19
LEGAL	3,500	0	3,500	7,804	(4,304)
REAPPRAISAL DEFENSE	77,000	0	77,000	2,310	74,690
UTILITIES	1,496	0	1,496	1,193	303
TELEPHONE	404	0	404	312	92
VEHICLE MAINT & TRANSPORTATION	400	0	400	153	247
MAINTENANCE - TOWN OFFICE	399	0	399	296	103
OPERATING SUPPLIES	500	0	500	1,220	(720)
POSTAGE	3,616	0	3,616	457	3,159
GASOLINE	0	0	0	11	(11)
COMPUTERS	1,500	0	1,500	0	1,500
VEHICLE	600	0	600	209	391
TRANSFER TO RESERVE FUND	0	0	0	74,690	(74,690)
TOTAL ASSESSOR	245,334	0	245,334	237,112	8,222
TOWN CLERK/TREASURER:					
SALARIES	179,914	0	179,914	185,388	(5,474)
OVERTIME	4,992	0	4,992	0	4,992
HEALTH INSURANCE	41,385	0	41,385	38,555	2,830
DENTAL INSURANCE	4,594	0	4,594	4,251	343
LIFE/DISABILITY INSURANCE	2,455	0	2,455	2,538	(83)
INSURANCE-PACIF/CL BOND/E&O	5,857	0	5,857	5,833	24
SOCIAL SECURITY	14,155	0	14,155	14,212	(57)
RETIREMENT	12,603	0	12,603	12,663	(60)
UNEMPLOYMENT COMP	720	0	720	846	(126)
WORKERS COMPENSATION	657	0	657	582	75
PERSONNEL DEVELOPMENT	2,000	0	2,000	2,360	(360)
DUES & PUBLICATIONS	500	0	500	457	43
LEGAL	7,000	0	7,000	5,152	1,848
UTILITIES	9,487	0	9,487	7,513	1,974
TELEPHONE	2,839	0	2,839	1,500	1,339
MAINTENANCE - TOWN OFFICE	2,530	0	2,530	1,500	1,030
OFFICE SUPPLIES	0	0	0	201	(201)
OPERATING SUPPLIES	14,900	0	14,900	12,671	2,229
POSTAGE	6,010	0	6,010	6,703	(693)
MACHINERY & EQUIPMENT	1,000	0	1,000	0	1,000
COMPUTERS	1,500	0	1,500	1,777	(277)
MISCELLANEOUS	300	0	300	60	240
TOTAL TOWN CLERK/TREASURER	315,398	0	315,398	304,762	10,636
PURCHASE/MAINTAIN EQUIPMENT:					
INSURANCE-PACIF/CL BOND/E&O	1,610	0	1,610	1,603	7
EQUIP - REPAIR/MAINTAIN	3,000	0	3,000	429	2,571
EQUIP - RENTALS/LEASES	32,000	0	32,000	19,986	12,014
OFFICE SUPPLIES	8,000	0	8,000	6,271	1,729
POSTAGE	0	0	0	690	(690)
TOTAL PURCHASE/MAINTAIN EQUIPMENT	44,610	0	44,610	28,979	15,631
PLANNING / ZONING:					
SALARIES	364,162	0	364,162	352,778	11,384
SALARIES - PLAN COMM/DRB	3,600	0	3,600	3,650	(50)
OVERTIME	3,000	0	3,000	3,910	(910)
HEALTH INSURANCE	57,105	0	57,105	55,444	1,661
DENTAL INSURANCE	6,203	0	6,203	6,741	(538)
LIFE/DISABILITY INSURANCE	5,594	0	5,594	5,669	(75)
INSURANCE-PACIF/CL BOND/E&O	10,792	0	10,792	10,748	44
SOCIAL SECURITY	28,382	0	28,382	29,642	(1,260)

TOWN OF COLCHESTER, VERMONT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Amendments	Final Budget	Actual	Variance Favorable (Unfavorable)
PLANNING / ZONING/(CONT'D):					
RETIREMENT	\$ 25,509	\$ 0	\$ 25,509	\$ 23,223	\$ 2,286
UNEMPLOYMENT COMP	1,616	0	1,616	1,898	(282)
WORKERS COMPENSATION	3,921	0	3,921	3,473	448
PERSONNEL DEVELOPMENT	4,900	0	4,900	1,941	2,959
DUES & PUBLICATIONS	1,500	0	1,500	1,145	355
PROFESSIONAL SERVICES	7,000	0	7,000	5,822	1,178
LEGAL	21,500	0	21,500	14,494	7,006
3RD PARTY CONSULTANT FEES	0	0	0	2,336	(2,336)
MASTER PLAN REWRITE	2,000	0	2,000	239	1,761
UTILITIES	5,769	0	5,769	4,610	1,159
TELEPHONE	2,451	0	2,451	1,536	915
COMMUNICATIONS	400	0	400	350	50
VEHICLE MAINT & TRANSPORTATION	4,000	(2,000)	2,000	2,727	(727)
MAINTENANCE - TOWN OFFICE	1,538	0	1,538	1,639	(101)
ADV - RECRUITING	500	0	500	0	500
ADV-PUBLIC MEETINGS	2,200	0	2,200	1,270	930
PRINTING & BINDING	3,000	0	3,000	1,404	1,596
OFFICE SUPPLIES	0	0	0	14	(14)
OPERATING SUPPLIES	4,000	0	4,000	11,663	(7,663)
POSTAGE	2,257	0	2,257	2,051	206
GASOLINE	0	2,000	2,000	1,064	936
COMPUTERS	2,000	0	2,000	297	1,703
GIS	3,000	0	3,000	2,034	966
TOTAL PLANNING / ZONING	577,899	0	577,899	553,812	24,087
INFORMATION TECHNOLOGY:					
SALARIES	77,080	0	77,080	66,173	10,907
HEALTH INSURANCE	12,043	0	12,043	9,215	2,828
DENTAL INSURANCE	723	0	723	656	67
LIFE/DISABILITY INSURANCE	603	0	603	660	(57)
INSURANCE-PACIF/CL BOND/E&O	2,570	0	2,570	2,560	10
SOCIAL SECURITY	5,897	0	5,897	4,909	988
RETIREMENT	3,192	0	3,192	2,805	387
UNEMPLOYMENT COMP	533	0	533	626	(93)
WORKERS COMPENSATION	260	0	260	230	30
PERSONNEL DEVELOPMENT	4,000	0	4,000	834	3,166
INTERNET PROVIDER	0	0	0	888	(888)
WEB FILE MAINTENANCE	1,200	0	1,200	1,083	117
UTILITIES	0	0	0	1,046	(1,046)
TELEPHONE	250	0	250	456	(206)
REPAIRS & MAINTENANCE	4,000	0	4,000	6,892	(2,892)
VEHICLE MAINT & TRANSPORTATION	0	0	0	70	(70)
OFFICE SUPPLIES	0	0	0	128	(128)
MACHINERY & EQUIPMENT	15,000	0	15,000	5,742	9,258
COMPUTERS	0	0	0	48	(48)
SOFTWARE	5,100	0	5,100	6,151	(1,051)
MISCELLANEOUS	0	0	0	217	(217)
DAYBREAK	120	0	120	0	120
TOTAL INFORMATION TECHNOLOGY	132,571	0	132,571	111,389	21,182
POLICE:					
SALARIES	1,580,337	0	1,580,337	1,555,206	25,131
SHIFT DIFFERENTIAL	20,443	0	20,443	20,043	400
LONGEVITY DIFFERENTIAL	0	0	0	818	(818)
SUPERVISOR DIFFERENTIAL	0	0	0	766	(766)
SEASONAL STAFF	4,000	0	4,000	6,592	(2,592)
OVERTIME	148,070	0	148,070	149,317	(1,247)
OVERTIME 2.0	18,268	0	18,268	9,433	8,835
OVERTIME 3.0	21,961	0	21,961	5,189	16,772
HEALTH INSURANCE	333,551	0	333,551	311,007	22,544

TOWN OF COLCHESTER, VERMONT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Amendments	Final Budget	Actual	Variance Favorable (Unfavorable)
POLICE/(CONT'D):					
DENTAL INSURANCE	\$ 28,534	\$ 0	\$ 28,534	\$ 28,859	\$ (325)
LIFE/DISABILITY INSURANCE	24,767	0	24,767	25,375	(608)
INSURANCE-PACIF/CL BOND/E&O	59,327	0	59,327	58,865	462
SOCIAL SECURITY	137,591	0	137,591	133,188	4,403
RETIREMENT	110,148	0	110,148	109,090	1,058
RETIREMENT HEALTH SAVINGS	1,252	0	1,252	0	1,252
UNEMPLOYMENT COMP	5,867	0	5,867	6,891	(1,024)
WORKERS COMPENSATION	63,170	0	63,170	55,116	8,054
PERSONNEL DEVELOPMENT	1,000	0	1,000	238	762
DUES & PUBLICATIONS	1,413	0	1,413	938	475
TRAINING	16,870	0	16,870	12,380	4,490
UNIFORMS & EQUIP (PD)	30,064	0	30,064	26,742	3,322
LEGAL	500	0	500	23	477
FEDERAL GRANT-PUBLIC SAFETY	0	0	0	74	(74)
UTILITIES	26,000	0	26,000	17,910	8,090
TELEPHONE	7,970	0	7,970	9,948	(1,978)
COMMUNICATIONS	28,410	0	28,410	27,298	1,112
COMMUNICATIONS PUBLIC SAFETY	24,000	0	24,000	15,169	8,831
VEHICLE MAINT & TRANSPORTATION	31,143	0	31,143	29,204	1,939
MAINTENANCE - TOWN OFFICE	7,683	0	7,683	7,281	402
OFFICE SUPPLIES	7,000	0	7,000	7,057	(57)
POLICE - PHOTO & FINGERPRINT	5,928	0	5,928	4,324	1,604
POSTAGE	1,089	0	1,089	1,057	32
GASOLINE	60,500	0	60,500	49,258	11,242
MILEAGE ALLOW & REIMBURSEMENT	4,500	0	4,500	4,590	(90)
COMPUTERS	14,820	0	14,820	11,050	3,770
MISCELLANEOUS	10,000	0	10,000	14,877	(4,877)
HARBORMASTER	8,112	0	8,112	8,179	(67)
SPECIAL PROGRAMS	2,000	0	2,000	2,019	(19)
TRANSFER TO CAPITAL EQUIP FUND	20,000	0	20,000	20,000	0
TOTAL POLICE	2,866,288	0	2,866,288	2,745,371	120,917
FIRE DEPARTMENTS:					
MBFD COMMUNICATION PUB SAFETY	15,500	0	15,500	15,184	316
CCFD COMM PUB SAFETY	16,500	0	16,500	16,221	279
COLCHESTER CENTER VOL FIRE CO	357,600	0	357,600	357,600	0
MALLETS BAY FIRE DEPT	268,272	0	268,272	268,272	0
TOTAL FIRE DEPARTMENTS	657,872	0	657,872	657,277	595
RESCUE:					
SALARIES	173,591	0	173,591	174,587	(996)
AMBULANCE PERSONNEL	26,500	0	26,500	21,258	5,242
OVERTIME	25,000	0	25,000	17,392	7,608
HEALTH INSURANCE	30,505	0	30,505	24,145	6,360
DENTAL INSURANCE	2,972	0	2,972	1,597	1,375
LIFE/DISABILITY INSURANCE	2,851	0	2,851	2,639	212
INSURANCE-PACIF/CL BOND/E&O	6,906	0	6,906	7,378	(472)
SOCIAL SECURITY	17,535	0	17,535	16,169	1,366
RETIREMENT	13,772	0	13,772	11,033	2,739
UNEMPLOYMENT COMP	795	0	795	934	(139)
WORKERS COMPENSATION	12,160	0	12,160	13,965	(1,805)
TRAINING	7,000	0	7,000	4,498	2,502
UNIFORMS	4,000	0	4,000	3,718	282
LEGAL	4,000	0	4,000	2,250	1,750
HEALTH & SAFETY	600	0	600	372	228
UTILITIES	10,250	0	10,250	10,600	(350)
TELEPHONE	2,383	0	2,383	1,034	1,349
COMMUNICATIONS	1,000	0	1,000	727	273
COMMUNICATIONS PUBLIC SAFETY	4,000	0	4,000	3,995	5
VEHICLE MAINT & TRANSPORTATION	4,500	0	4,500	1,997	2,503

TOWN OF COLCHESTER, VERMONT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Amendments	Final Budget	Actual	Variance Favorable (Unfavorable)
RESCUE/(CONTD):					
EQUIP - REPAIR/MAINTAIN	\$ 1,000	\$ 0	\$ 1,000	\$ 1,169	\$ (169)
MAINTENANCE - BUILDING	5,000	0	5,000	5,210	(210)
COMMUNICATIONS MAINT/REPAIR	500	0	500	555	(55)
OFFICE SUPPLIES	1,500	0	1,500	1,381	119
OPERATING SUPPLIES	9,400	0	9,400	9,516	(116)
POSTAGE	350	0	350	190	160
GASOLINE	5,500	0	5,500	6,757	(1,257)
MACHINERY & EQUIPMENT	1,000	0	1,000	349	651
TECHNOLOGY UPGRADES	3,000	0	3,000	2,950	50
MISCELLANEOUS	4,000	0	4,000	3,022	978
AMB PERSONNEL DONATIONS TO CRS	0	0	0	2,083	(2,083)
SPECIAL PROGRAMS	500	0	500	268	232
TRANSFER TO RESCUE CAP EQUIP	10,300	0	10,300	10,300	0
TRANS TO RESCUE CAP COMMUN	4,000	0	4,000	4,000	0
TOTAL RESCUE	396,370	0	396,370	368,038	28,332
TECHNICAL RESCUE:					
SALARIES	9,500	0	9,500	7,865	1,635
SOCIAL SECURITY	727	0	727	602	125
WORKERS COMPENSATION	641	0	641	568	73
TRAINING	2,000	0	2,000	2,059	(59)
UNIFORMS	3,000	0	3,000	2,517	483
HEALTH & SAFETY	2,500	0	2,500	635	1,865
COMMUNICATIONS	3,200	0	3,200	3,118	82
COMMUNICATIONS PUBLIC SAFETY	2,000	0	2,000	1,998	2
VEHICLE MAINT & TRANSPORTATION	1,500	0	1,500	716	784
EQUIP - REPAIR/MAINTAIN	2,500	0	2,500	2,298	202
COMMUNICATIONS MAINT/REPAIR	500	0	500	202	298
OPERATING SUPPLIES	500	0	500	547	(47)
GASOLINE	1,500	0	1,500	1,106	394
MACHINERY & EQUIPMENT	2,000	0	2,000	2,236	(236)
TR TECH RES CAPITAL EQUIP	6,000	0	6,000	6,000	0
TRANS TECH RESCUE COMMUNICATE	1,200	0	1,200	1,200	0
TOTAL TECHNICAL RESCUE	39,268	0	39,268	33,667	5,601
POLICE DISPATCH:					
SALARIES	226,019	0	226,019	216,528	9,491
SHIFT DIFFERENTIAL	8,969	0	8,969	6,029	2,940
SALARIES PT DISPATCH	43,487	0	43,487	41,408	2,079
SHIFT DIFFERENTIAL PT DISPATCH	0	0	0	2,265	(2,265)
OVERTIME	19,502	0	19,502	16,199	3,303
OVERTIME 2.0	1,039	0	1,039	8,763	(7,724)
OVERTIME 3.0	7,410	0	7,410	0	7,410
OVERTIME PT DISPATCH	0	0	0	7,053	(7,053)
HEALTH INSURANCE	46,375	0	46,375	45,619	756
DENTAL INSURANCE	3,767	0	3,767	4,208	(441)
LIFE/DISABILITY INSURANCE	3,611	0	3,611	3,747	(136)
SOCIAL SECURITY	23,453	0	23,453	22,616	837
RETIREMENT	15,832	0	15,832	15,038	794
UNEMPLOYMENT COMP	2,249	0	2,249	2,641	(392)
WORKERS COMPENSATION	1,121	0	1,121	993	128
TOTAL POLICE DISPATCH	402,834	0	402,834	393,107	9,727
DPW - ADMINISTRATION:					
SALARIES	209,281	0	209,281	211,028	(1,747)
HEALTH INSURANCE	37,329	0	37,329	38,070	(741)
DENTAL INSURANCE	3,925	0	3,925	3,784	141
LIFE/DISABILITY INSURANCE	3,596	0	3,596	3,365	231
INSURANCE-PACIF/CL BOND/E&O	6,752	0	6,752	6,724	28

TOWN OF COLCHESTER, VERMONT
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BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Amendments	Final Budget	Actual	Variance Favorable (Unfavorable)
DPW - ADMIN/(CONT'D):					
SOCIAL SECURITY	\$ 16,365	\$ 0	\$ 16,365	\$ 15,816	\$ 549
RETIREMENT	14,975	0	14,975	14,693	282
UNEMPLOYMENT COMP	694	0	694	815	(121)
WORKERS COMPENSATION	6,709	0	6,709	5,943	766
PERSONNEL DEVELOPMENT	4,500	0	4,500	774	3,726
DUES & PUBLICATIONS	550	0	550	562	(12)
PROFESSIONAL SERVICES	32,700	0	32,700	32,086	614
LEGAL	4,545	0	4,545	1,137	3,408
UTILITIES	3,996	0	3,996	3,645	351
TELEPHONE	651	0	651	1,855	(1,204)
COMMUNICATIONS	1,049	0	1,049	1,345	(296)
VEHICLE MAINT & TRANSPORTATION	0	0	0	305	(305)
MAINTENANCE - TOWN OFFICE	1,066	0	1,066	1,344	(278)
ADV - RECRUITING	500	0	500	0	500
OFFICE SUPPLIES	400	0	400	652	(252)
OPERATING SUPPLIES	500	0	500	400	100
POSTAGE	584	0	584	426	158
GASOLINE	0	0	0	1,122	(1,122)
MILEAGE ALLOW & REIMBURSEMENT	6,000	0	6,000	4,517	1,483
COMPUTERS	1,000	0	1,000	0	1,000
TOTAL DPW - ADMINISTRATION	357,667	0	357,667	350,408	7,259
DPW - HIGHWAY DEPT:					
SALARIES	345,699	0	345,699	344,237	1,462
SHIFT DIFFERENTIAL	10,370	0	10,370	8,138	2,232
OVERTIME	39,310	0	39,310	44,716	(5,406)
OVERTIME 2.0	8,052	0	8,052	2,244	5,808
HEALTH INSURANCE	60,901	0	60,901	64,627	(3,726)
DENTAL INSURANCE	6,427	0	6,427	5,983	444
LIFE/DISABILITY INSURANCE	5,555	0	5,555	5,737	(182)
INSURANCE-PACIF/CL BOND/E&O	18,891	0	18,891	18,814	77
SOCIAL SECURITY	30,881	0	30,881	31,161	(280)
RETIREMENT	24,216	0	24,216	24,096	120
UNEMPLOYMENT COMP	2,133	0	2,133	2,505	(372)
WORKERS COMPENSATION	41,989	0	41,989	37,193	4,796
PERSONNEL DEVELOPMENT	0	0	0	180	(180)
UNIFORMS	6,643	0	6,643	6,682	(39)
COMMERCIAL DRIVERS LICENSES	0	0	0	75	(75)
STREET LIGHTS	102,056	0	102,056	115,749	(13,693)
TRAFFIC SIGNALS	5,220	0	5,220	7,376	(2,156)
COMMUNICATIONS	1,663	0	1,663	505	1,158
TREE MAINTENANCE	5,400	0	5,400	625	4,775
TIRES AND TUBES	12,130	0	12,130	11,651	479
STRIPING	19,732	0	19,732	19,189	543
TRUCK 1 - 2003 INTL	1,350	0	1,350	1,670	(320)
TRUCK 2 - 2003 INTL	750	0	750	1,131	(381)
TRUCK 3 - 2007 INTERNATIONAL	750	0	750	544	206
TRUCK 4 - 2008 CHEVY	1,380	0	1,380	1,410	(30)
TRUCK 5 - 2007 INTERNATIONAL	750	0	750	224	526
TRUCK 6 - 2006 INTERNATIONAL	750	0	750	0	750
GRADER	5,600	0	5,600	4,170	1,430
LOADER	3,055	0	3,055	1,501	1,554
TRACTOR/MOWER	750	0	750	324	426
DROTT	750	0	750	839	(89)
HOLDER	1,000	0	1,000	2,235	(1,235)
TRUCK 18 - 2009 INTERNATIONAL	750	0	750	531	219
TRUCK 8 - 2006 CHEVY	500	0	500	1,755	(1,255)
TRUCK 9 - 2002 CHEVY CREW CAB	500	0	500	48	452
TRUCK 10 2004 CHEVY 4X4	250	0	250	130	120
CHAIN SAWS	400	0	400	220	180
SANDERS	3,000	0	3,000	917	2,083

TOWN OF COLCHESTER, VERMONT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Amendments	Final Budget	Actual	Variance Favorable (Unfavorable)
DPW - HIGHWAY DEPT/(CONT'D):					
SNOWPLOWS	\$ 10,474	\$ 0	\$ 10,474	\$ 11,467	\$ (993)
BRIDGES	500	0	500	78	422
ROLLER/TRAILER	100	0	100	0	100
HIRED EQUIPMENT - WINTER	1,000	0	1,000	0	1,000
HIRED EQUIPMENT - SUMMER	1,400	0	1,400	462	938
OPERATING SUPPLIES	5,000	0	5,000	3,678	1,322
EQUIPMENT SUPPLIES	2,000	0	2,000	1,326	674
SMALL TOOLS & EQUIPMENT	400	0	400	365	35
CHLORIDE	10,000	0	10,000	10,410	(410)
CULVERTS	0	0	0	225	(225)
GRAVEL	17,181	0	17,181	17,161	20
ASPHALT REPAIR	3,000	0	3,000	5,329	(2,329)
SIGNS	8,000	0	8,000	8,411	(411)
WINTER SAND	25,356	0	25,356	21,055	4,301
WINTER SALT	91,536	0	91,536	76,667	14,869
GASOLINE	51,425	0	51,425	66,917	(15,492)
TOTAL DPW - HIGHWAY DEPT	996,925	0	996,925	992,683	4,242
DPW - MAINTENANCE FACILITY:					
SALARIES	154,127	0	154,127	154,765	(638)
SHIFT DIFFERENTIAL	575	0	575	678	(103)
SEASONAL LABOR	10,700	0	10,700	10,899	(199)
OVERTIME	4,067	0	4,067	805	3,262
OVERTIME 2.0	833	0	833	48	785
HEALTH INSURANCE	26,151	0	26,151	27,672	(1,521)
DENTAL INSURANCE	3,099	0	3,099	3,784	(685)
LIFE/DISABILITY INSURANCE	2,451	0	2,451	2,575	(124)
INSURANCE-PACIF/CL BOND/E&O	5,542	0	5,542	5,519	23
SOCIAL SECURITY	13,036	0	13,036	12,911	125
RETIREMENT	10,796	0	10,796	10,834	(38)
UNEMPLOYMENT COMP	800	0	800	940	(140)
WORKERS COMPENSATION	6,819	0	6,819	6,040	779
MISCELLANEOUS BENEFITS	0	0	0	65	(65)
TRAINING	975	0	975	995	(20)
UNIFORMS	3,125	0	3,125	2,599	526
UTILITIES	22,160	0	22,160	17,760	4,400
TELEPHONE	427	0	427	56	371
REPAIRS & MAINTENANCE	12,800	0	12,800	16,968	(4,168)
VEHICLE MAINT & TRANSPORTATION	1,030	(688)	342	641	(299)
OFFICE SUPPLIES	270	0	270	105	165
OPERATING SUPPLIES	1,800	0	1,800	3,471	(1,671)
EQUIPMENT SUPPLIES	13,000	0	13,000	13,463	(463)
WELDING SUPPLIES	900	0	900	1,014	(114)
GASOLINE	0	688	688	576	112
MACHINERY & EQUIPMENT	3,000	0	3,000	2,940	60
COMPUTERS	200	0	200	0	200
MISCELLANEOUS	2,090	0	2,090	0	2,090
TOTAL DPW - MAINTENANCE FACILITY	300,773	0	300,773	298,123	2,650
STORMWATER:					
SALARIES	69,743	0	69,743	72,452	(2,709)
OVERTIME	0	0	0	415	(415)
HEALTH INSURANCE	9,391	0	9,391	10,768	(1,377)
DENTAL INSURANCE	759	0	759	686	73
LIFE/DISABILITY INSURANCE	1,114	0	1,114	1,157	(43)
INSURANCE-PACIF/CL BOND/E&O	2,659	0	2,659	2,648	11
SOCIAL SECURITY	5,339	0	5,339	5,631	(292)
RETIREMENT	4,885	0	4,885	4,902	(17)
UNEMPLOYMENT COMP	533	0	533	626	(93)
WORKERS COMPENSATION	2,792	0	2,792	2,473	319

TOWN OF COLCHESTER, VERMONT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Amendments	Final Budget	Actual	Variance Favorable (Unfavorable)
STORMWATER/(CONT'D):					
UNIFORMS	\$ 1,661	\$ 0	\$ 1,661	\$ 295	\$ 1,366
LEGAL	1,500	0	1,500	0	1,500
TELEPHONE	0	0	0	10	(10)
CATCH BASINS	4,900	0	4,900	4,300	600
SWEEPER	2,500	0	2,500	1,481	1,019
SWEEPER-2007 STERLING	2,500	0	2,500	843	1,657
STORM WATER PUMPS	8,750	0	8,750	8,794	(44)
STORMWATER PERMITTING	4,000	0	4,000	5,464	(1,464)
TREATMENT STRUCTURES	2,700	0	2,700	540	2,160
SMALL TOOLS & EQUIPMENT	100	0	100	57	43
CULVERTS	8,000	0	8,000	2,869	5,131
PUBLIC OUTREACH & EDUCATION	5,000	0	5,000	5,012	(12)
WATER QUALITY TESTING	5,000	0	5,000	6,091	(1,091)
TOTAL STORMWATER	143,826	0	143,826	137,514	6,312
BUILDINGS:					
SALARIES	36,231	0	36,231	37,636	(1,405)
OVERTIME	1,500	0	1,500	78	1,422
HEALTH INSURANCE	15,414	0	15,414	14,796	618
DENTAL INSURANCE	1,218	0	1,218	1,261	(43)
LIFE/DISABILITY INSURANCE	578	0	578	601	(23)
INSURANCE-PACIF/CL BOND/E&O	2,297	0	2,297	2,288	9
SOCIAL SECURITY	2,888	0	2,888	2,749	139
RETIREMENT	2,643	0	2,643	2,542	101
UNEMPLOYMENT COMP	267	0	267	313	(46)
WORKERS COMPENSATION	2,146	0	2,146	1,901	245
PERSONNEL DEVELOPMENT	250	0	250	259	(9)
UTILITIES	0	0	0	343	(343)
UTILITIES - MEETING HOUSE	6,000	0	6,000	5,877	123
UTILITIES - SENIOR CENTER	2,934	0	2,934	2,263	671
HISTORICAL SOCIETY UTILITIES	600	0	600	2,469	(1,869)
COMMUNICATIONS	375	0	375	977	(602)
JANITORIAL SERVICES	40,000	0	40,000	41,461	(1,461)
VEHICLE MAINT & TRANSPORTATION	0	0	0	760	(760)
MAINTENANCE - SENIOR CENTER	500	0	500	1,933	(1,433)
MAINTENANCE - MEETING HOUSE	3,925	0	3,925	3,742	183
MAINTENANCE-HISTORICAL SOCIETY	2,000	0	2,000	285	1,715
OPERATING SUPPLIES	1,750	0	1,750	4,411	(2,661)
GASOLINE	2,200	0	2,200	2,680	(480)
BUILDINGS & IMPROVEMENTS	2,200	0	2,200	21,942	(19,742)
MISCELLANEOUS	0	0	0	1,535	(1,535)
TOTAL BUILDINGS	127,916	0	127,916	155,102	(27,186)
HEALTH SERVICES:					
VISITING NURSE ASSOCIATION	18,000	0	18,000	18,000	0
HOWARD MENTAL HEALTH	2,694	0	2,694	2,694	0
CHAMPLAIN VALLEY AGY ON AGING	2,880	0	2,880	2,880	0
WOMEN HELPING BATTERED WOMEN	1,950	0	1,950	1,950	0
ANIMAL CONTROL CONTRACT	14,743	0	14,743	14,783	(40)
ANIMAL CONTROL FEES	3,000	0	3,000	3,521	(521)
VERMONT CARES	1,250	0	1,250	1,250	0
TOTAL HEALTH SERVICES	44,517	0	44,517	45,078	(561)

TOWN OF COLCHESTER, VERMONT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Amendments	Final Budget	Actual	Variance Favorable (Unfavorable)
PARKS:					
SALARIES	\$ 51,056	\$ 0	\$ 51,056	\$ 51,267	\$ (211)
SEASONAL LABOR	125,622	0	125,622	115,226	10,396
OVERTIME	2,500	0	2,500	3,554	(1,054)
OVERTIME 2.0	0	0	0	295	(295)
HEALTH INSURANCE	12,182	0	12,182	13,323	(1,141)
DENTAL INSURANCE	1,218	0	1,218	1,261	(43)
LIFE/DISABILITY INSURANCE	817	0	817	847	(30)
VT HEALTH CARE CONTRIBUTIONS	1,005	0	1,005	456	549
INSURANCE-PACIF/CL BOND/E&O	5,931	0	5,931	5,907	24
SOCIAL SECURITY	13,710	0	13,710	12,873	837
RETIREMENT	3,576	0	3,576	3,589	(13)
UNEMPLOYMENT COMP	1,867	0	1,867	2,193	(326)
WORKERS COMPENSATION	9,199	0	9,199	8,148	1,051
PERSONNEL DEVELOPMENT	500	0	500	0	500
CONTRACTUAL SERVICES	15,000	0	15,000	14,287	713
UTILITIES - PARKS	13,700	0	13,700	16,212	(2,512)
TELEPHONE	264	0	264	725	(461)
COMMUNICATIONS	258	0	258	271	(13)
REPAIRS & MAINTENANCE	9,400	0	9,400	10,582	(1,182)
VEHICLE MAINT & TRANSPORTATION	7,000	0	7,000	4,724	2,276
EQUIP - REPAIR/MAINTAIN	4,100	0	4,100	4,205	(105)
EQUIP - RENTALS/LEASES	0	1,900	1,900	1,867	33
OPERATING SUPPLIES	24,000	(14,000)	10,000	15,283	(5,283)
GRASS SEED	0	2,100	2,100	3,379	(1,279)
FERTILIZER	0	10,000	10,000	6,156	3,844
GASOLINE	10,075	0	10,075	11,154	(1,079)
MACHINERY & EQUIPMENT	10,000	0	10,000	9,427	573
MISCELLANEOUS	0	0	0	40	(40)
TOTAL PARKS	322,980	0	322,980	317,251	5,729
RECREATION:					
SALARIES	158,560	0	158,560	158,021	539
HEALTH INSURANCE	26,324	0	26,324	20,770	5,554
DENTAL INSURANCE	2,376	0	2,376	2,522	(146)
LIFE/DISABILITY INSURANCE	1,934	0	1,934	2,493	(559)
INSURANCE-PACIF/CL BOND/E&O	5,682	0	5,682	6,159	(477)
SOCIAL SECURITY	12,636	0	12,636	12,928	(292)
RETIREMENT	10,692	0	10,692	10,588	104
UNEMPLOYMENT COMP	1,331	0	1,331	1,563	(232)
WORKERS COMPENSATION	1,990	0	1,990	2,763	(773)
PERSONNEL DEVELOPMENT	3,700	0	3,700	1,001	2,699
DUES & PUBLICATIONS	1,000	0	1,000	754	246
PROFESSIONAL SERVICES	0	0	0	780	(780)
LEGAL	1,000	0	1,000	1,098	(98)
UTILITIES	2,970	0	2,970	2,762	208
TELEPHONE	1,617	0	1,617	1,190	427
COMMUNICATIONS	2,734	0	2,734	596	2,138
MAINTENANCE - TOWN OFFICE	792	0	792	779	13
PRINTING/PUBLICITY	1,000	0	1,000	1,000	0
OFFICE SUPPLIES	1,200	0	1,200	4,176	(2,976)
OPERATING SUPPLIES	1,300	0	1,300	562	738
POSTAGE	2,417	0	2,417	2,456	(39)
MILEAGE ALLOW & REIMBURSEMENT	5,000	0	5,000	4,686	314
COMPUTERS	4,500	0	4,500	2,133	2,367
SPECIAL PROGRAMS	6,000	0	6,000	4,718	1,282
FAIR DAY	7,500	0	7,500	7,500	0
TRANSFER TO RAD	4,000	0	4,000	4,000	0
WINOOSKI VALLEY PARK DISTRICT	41,897	0	41,897	41,897	0
TOTAL RECREATION	310,152	0	310,152	299,895	10,257

TOWN OF COLCHESTER, VERMONT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Amendments	Final Budget	Actual	Variance Favorable (Unfavorable)
LIBRARY:					
SALARIES	\$ 322,439	\$ 0	\$ 322,439	\$ 277,011	\$ 45,428
TEMPORARY SUBS	4,500	0	4,500	16,615	(12,115)
HEALTH INSURANCE	57,987	0	57,987	50,710	7,277
DENTAL INSURANCE	5,775	0	5,775	4,718	1,057
LIFE/DISABILITY INSURANCE	2,976	0	2,976	2,239	737
INSURANCE-PACIF/CL BOND/E&O	10,545	0	10,545	10,502	43
SOCIAL SECURITY	24,592	0	24,592	22,032	2,560
RETIREMENT	22,397	0	22,397	17,537	4,860
UNEMPLOYMENT COMP	2,866	0	2,866	3,366	(500)
WORKERS COMPENSATION	1,176	0	1,176	1,042	134
DUES & PUBLICATIONS	690	0	690	640	50
LEGAL	0	0	0	94	(94)
PROGRAMMING	1,000	0	1,000	998	2
UTILITIES	16,375	0	16,375	14,240	2,135
TELEPHONE	1,508	0	1,508	2,531	(1,023)
COMMUNICATIONS	2,656	0	2,656	1,995	661
JANITORIAL SERVICES	8,043	0	8,043	8,007	36
MAINTENANCE - LIBRARY	10,665	0	10,665	10,468	197
MAINTENANCE - BUILDING	4,160	0	4,160	554	3,606
ADV - RECRUITING	100	0	100	78	22
PRINTING/PUBLICITY	583	0	583	571	12
OPERATING SUPPLIES	5,135	0	5,135	5,194	(59)
POSTAGE	4,098	0	4,098	4,324	(226)
GASOLINE	300	0	300	0	300
MILEAGE ALLOW & REIMBURSEMENT	2,100	0	2,100	893	1,207
BOOKS - ADULT	17,500	0	17,500	18,661	(1,161)
BOOKS- JUVENILE	13,800	0	13,800	13,812	(12)
PERIODICALS	4,000	0	4,000	3,516	484
AUDIO/VISUAL MATERIALS	4,023	0	4,023	4,050	(27)
COMPUTERS	11,443	0	11,443	13,815	(2,372)
ELECTRONIC RESOURCES	1,238	0	1,238	1,203	35
VEHICLE	214	0	214	489	(275)
MISCELLANEOUS	3,000	0	3,000	4,647	(1,647)
TRANSFER TO RESERVE FUND	0	0	0	3,500	(3,500)
TOTAL LIBRARY	567,884	0	567,884	520,052	47,832
CEMETERY:					
REPAIRS & MAINTENANCE	19,000	0	19,000	11,381	7,619
MISCELLANEOUS	2,500	0	2,500	2,970	(470)
TRANSFER TO RESERVE FUND	1,000	0	1,000	0	1,000
TRANSFER TO CEMETERY FUND	0	0	0	1,000	(1,000)
TOTAL CEMETERY	22,500	0	22,500	15,351	7,149
INTERGOVERNMENTAL EXPENDITURES:					
VT COUNCIL ON WORLD AFFAIRS	500	0	500	0	500
GBIC	6,000	0	6,000	6,000	0
CHITTENDEN CO REGIONAL PLNG	11,641	0	11,641	11,641	0
VT LEAGUE OF CITIES & TOWNS	14,759	0	14,759	14,759	0
HANDICAP TRANSPORTATION	74,150	0	74,150	44,233	29,917
METROPOLITAN PLANNING ORG	11,188	0	11,188	11,188	0
COUNTY TAX	94,353	0	94,353	95,301	(948)
CONSERVATION COMMISSION	1,000	0	1,000	50	950
TOTAL INTERGOVERNMENTAL EXPENDITURES	213,591	0	213,591	183,172	30,419
TOTAL EXPENDITURES	10,064,117	0	10,064,117	9,623,551	440,566
EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ (285,000)	\$ 0	\$ (285,000)	50,964	\$ 335,964
FUND BALANCE - JULY 1, 2008				1,462,622	
FUND BALANCE - JUNE 30, 2009				\$ 1,513,586	

TOWN OF COLCHESTER, VERMONT
OTHER GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2009

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund	Permanent Fund Burnham Memorial Library Fund	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>ASSETS</u>					
Cash	\$ 143,869	\$ 387,066	\$ 0	\$ 11,073	\$ 542,008
Investments	175,000	60,376	0	0	235,376
Receivables (Net of Allowance for Doubtful Accounts)	1,330	0	0	0	1,330
Notes Receivable	177,458	0	0	0	177,458
Due From Other Funds	<u>333,229</u>	<u>2,244</u>	<u>96,857</u>	<u>0</u>	<u>432,330</u>
Total Assets	<u>\$ 830,886</u>	<u>\$ 449,686</u>	<u>\$ 96,857</u>	<u>\$ 11,073</u>	<u>\$ 1,388,502</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts Payable	\$ 15,653	\$ 158,754	\$ 0	\$ 0	\$ 174,407
Accrued Payroll and Benefits Payable	15,566	0	0	0	15,566
Deferred Revenue	<u>276,238</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>276,238</u>
Total Liabilities	<u>307,457</u>	<u>158,754</u>	<u>0</u>	<u>0</u>	<u>466,211</u>
Fund Balances:					
Reserved	360,119	144,947	0	11,073	516,139
Unreserved:					
Designated	<u>163,310</u>	<u>145,985</u>	<u>96,857</u>	<u>0</u>	<u>406,152</u>
Total Fund Balances	<u>523,429</u>	<u>290,932</u>	<u>96,857</u>	<u>11,073</u>	<u>922,291</u>
Total Liabilities and Fund Balances	<u>\$ 830,886</u>	<u>\$ 449,686</u>	<u>\$ 96,857</u>	<u>\$ 11,073</u>	<u>\$ 1,388,502</u>

TOWN OF COLCHESTER, VERMONT
OTHER GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2009

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund	Permanent Fund Burnham Memorial Library Fund	Total
Revenues:					
Property Taxes	\$ 0	\$ 287,797	\$ 893,288	\$ 0	\$ 1,181,085
Intergovernmental Revenues	51,527	2,583	0	0	54,110
Impact Fees	0	41,160	0	0	41,160
Charges for Services	509,588	0	0	9,871	519,459
Investment Income/(Loss)	(4,815)	3,650	0	30	(1,135)
Loan Repayments	28,242	0	0	0	28,242
Total Revenues	584,542	335,190	893,288	9,901	1,822,921
Expenditures:					
Current Expenditures					
Public Safety	28,219	0	0	0	28,219
Public Works	15,974	1,948	0	0	17,922
Culture & Recreation	467,344	6,388	0	10,298	484,030
Capital Outlay:					
Public Safety	0	200,260	0	0	200,260
Public Works	0	143,691	0	0	143,691
Culture & Recreation	0	87,680	0	0	87,680
Debt Service:					
Principal	9,622	0	575,420	0	585,042
Interest	4,492	0	317,730	0	322,222
Total Expenditures	525,651	439,967	893,150	10,298	1,869,066
Excess of Revenues Over Expenditures	58,891	(104,777)	138	(397)	(46,145)
Other Financing Sources:					
Proceeds of Long-term Debt	3,829	0	0	0	3,829
Transfers in	1,000	24,000	0	0	25,000
Total Other Financing Sources	4,829	24,000	0	0	28,829
Net Change in Fund Balances	63,720	(80,777)	138	(397)	(17,316)
Fund Balances - July 1, 2008	459,709	371,709	96,719	11,470	939,607
Fund Balances - June 30, 2009	<u>\$ 523,429</u>	<u>\$ 290,932</u>	<u>\$ 96,857</u>	<u>\$ 11,073</u>	<u>\$ 922,291</u>

TOWN OF COLCHESTER, VERMONT
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2009

	Revolving Loan Fund	Police Special Revenue Fund	Recreation Program Fund	Cemetery Fund	Total
<u>ASSETS</u>					
Cash	\$ 0	\$ 130,584	\$ 0	\$ 13,285	\$ 143,869
Investments	0	65,407	0	109,593	175,000
Receivables (Net of Allowance for Doubtful Accounts)	0	0	0	1,330	1,330
Notes Receivable	177,458	0	0		177,458
Due From Other Funds	38,320	0	293,309	1,600	333,229
Total Assets	<u>\$ 215,778</u>	<u>\$ 195,991</u>	<u>\$ 293,309</u>	<u>\$ 125,808</u>	<u>\$ 830,886</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts Payable	\$ 0	\$ 0	\$ 15,653	\$ 0	\$ 15,653
Accrued Payroll and Benefits Payable	0	0	15,566	0	15,566
Deferred Revenue	177,458	0	98,780	0	276,238
Total Liabilities	<u>177,458</u>	<u>0</u>	<u>129,999</u>	<u>0</u>	<u>307,457</u>
Fund Balances:					
Reserved	38,320	195,991	0	125,808	360,119
Unreserved:					
Designated	0	0	163,310	0	163,310
Total Fund Balances	<u>38,320</u>	<u>195,991</u>	<u>163,310</u>	<u>125,808</u>	<u>523,429</u>
Total Liabilities and Fund Balances	<u>\$ 215,778</u>	<u>\$ 195,991</u>	<u>\$ 293,309</u>	<u>\$ 125,808</u>	<u>\$ 830,886</u>

TOWN OF COLCHESTER, VERMONT
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2009

	Revolving Loan Fund	Police Special Revenue Fund	Recreation Program Fund	Cemetery Fund	Total
Revenues:					
Intergovernmental Revenues	\$ 0	\$ 51,527	\$ 0	\$ 0	\$ 51,527
Charges for Services	0	0	506,398	3,190	509,588
Investment Income/(Loss)	4,760	1,454	0	(11,029)	(4,815)
Loan Repayments	<u>28,242</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>28,242</u>
Total Revenues	<u>33,002</u>	<u>52,981</u>	<u>506,398</u>	<u>(7,839)</u>	<u>584,542</u>
Expenditures:					
Current Expenditures					
Public Safety	0	28,219	0	0	28,219
Public Works	15,974	0	0	0	15,974
Culture & Recreation	0	0	467,344	0	467,344
Debt Service:					
Principal	9,622	0	0	0	9,622
Interest	<u>4,492</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,492</u>
Total Expenditures	<u>30,088</u>	<u>28,219</u>	<u>467,344</u>	<u>0</u>	<u>525,651</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>2,914</u>	<u>24,762</u>	<u>39,054</u>	<u>(7,839)</u>	<u>58,891</u>
Other Financing Sources:					
Proceeds of Long-term Debt	3,829	0	0	0	3,829
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,000</u>	<u>1,000</u>
Total Other Financing Sources	<u>3,829</u>	<u>0</u>	<u>0</u>	<u>1,000</u>	<u>4,829</u>
Net Change in Fund Balances	6,743	24,762	39,054	(6,839)	63,720
Fund Balances - July 1, 2008	<u>31,577</u>	<u>171,229</u>	<u>124,256</u>	<u>132,647</u>	<u>459,709</u>
Fund Balances - June 30, 2009	<u>\$ 38,320</u>	<u>\$ 195,991</u>	<u>\$ 163,310</u>	<u>\$ 125,808</u>	<u>\$ 523,429</u>

TOWN OF COLCHESTER, VERMONT
 CAPITAL PROJECTS FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2009

	Recreation Acquisition and Development Fund	Capital Equipment Fund	Total
	<u> </u>	<u> </u>	<u> </u>
<u>ASSETS</u>			
Cash	\$ 82,972	\$ 304,094	\$ 387,066
Investments	60,376	0	60,376
Due From Other Funds	<u>2,244</u>	<u>0</u>	<u>2,244</u>
Total Assets	<u>\$ 145,592</u>	<u>\$ 304,094</u>	<u>\$ 449,686</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts Payable	<u>\$ 645</u>	<u>\$ 158,109</u>	<u>\$ 158,754</u>
Total Liabilities	<u>645</u>	<u>158,109</u>	<u>158,754</u>
Fund Balances:			
Reserved	144,947	0	144,947
Unreserved:			
Designated	<u>0</u>	<u>145,985</u>	<u>145,985</u>
Total Fund Balances	<u>144,947</u>	<u>145,985</u>	<u>290,932</u>
Total Liabilities and Fund Balances	<u>\$ 145,592</u>	<u>\$ 304,094</u>	<u>\$ 449,686</u>

TOWN OF COLCHESTER, VERMONT
 CAPITAL PROJECTS FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2009

	Recreation Acquisition and Development Fund	Capital Equipment Fund	Total
	<u>Fund</u>	<u>Fund</u>	<u>Total</u>
Revenues:			
Property Taxes	\$ 0	\$ 287,797	\$ 287,797
Intergovernmental Revenues	2,583	0	2,583
Impact Fees	41,160	0	41,160
Investment Income	<u>1,080</u>	<u>2,570</u>	<u>3,650</u>
Total Revenues	<u>44,823</u>	<u>290,367</u>	<u>335,190</u>
Expenditures:			
Public Works	0	1,948	1,948
Culture and Recreation	2,536	3,852	6,388
Capital Outlay:			
Public Works	0	143,691	143,691
Public Safety	0	200,260	200,260
Culture and Recreation	<u>24,534</u>	<u>63,146</u>	<u>87,680</u>
Total Expenditures	<u>27,070</u>	<u>412,897</u>	<u>439,967</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>17,753</u>	<u>(122,530)</u>	<u>(104,777)</u>
Other Financing Sources:			
Transfers in	<u>4,000</u>	<u>20,000</u>	<u>24,000</u>
Total Other Financing Sources	<u>4,000</u>	<u>20,000</u>	<u>24,000</u>
Net Change in Fund Balances	21,753	(102,530)	(80,777)
Fund Balances - July 1, 2008	<u>123,194</u>	<u>248,515</u>	<u>371,709</u>
Fund Balances - June 30, 2009	<u>\$ 144,947</u>	<u>\$ 145,985</u>	<u>\$ 290,932</u>