

TOWN OF MIDDLESEX, VERMONT

ANNUAL FINANCIAL REPORT

JUNE 30, 2014

WILLIAM YACAVONI
CERTIFIED PUBLIC ACCOUNTANT

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ANNUAL FINANCIAL REPORT
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WILLIAM YACAVONI
CERTIFIED PUBLIC ACCOUNTANT
301 North Main Street, Suite 4
Barre, VT 05641

Tel. (802)476-4464

Fax (802)476-7785

INDEPENDENT AUDITOR'S REPORT

Board of Selectmen
Town of Middlesex, Vermont
Middlesex, Vermont 05602

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Middlesex, Vermont, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town of Middlesex, Vermont basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Middlesex, Vermont, as of June 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

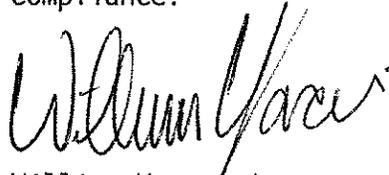
My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Middlesex, Vermont basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

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



William Yacavoni
Certified Public Accountant
License # 92-0000153
September 22, 2014

TOWN OF MIDDLESEX, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014

This section of the Town of Middlesex, Vermont annual financial report presents our discussion and analysis of the Town of Middlesex, Vermont financial performance during the fiscal year ended June 30, 2014. Please read this in conjunction with the Town of Middlesex, Vermont financial statements which follow this section.

Financial Highlights

The Town of Middlesex, Vermont assets exceeded its liabilities by \$1,497,429 (net position) for the year ended June 30, 2014. This compares to the previous year when assets exceeded liabilities by \$1,383,138.

	Governmental Activities	
	June 30, 2014	June 30, 2013
<u>ASSETS</u>		
Current and Other Assets	\$ 805,606	\$ 599,836
Capital and Non-Current Assets	1,752,633	1,654,286
TOTAL ASSETS	\$2,558,239	\$2,254,122
<u>LIABILITIES</u>		
Current Liabilities	\$ 196,345	\$ 50,184
Long-Term Liabilities	864,465	820,800
TOTAL LIABILITIES	\$1,060,810	\$ 870,984
<u>NET POSITION</u>		
Invested in Capital Assets Net of Related Debt	\$ 888,168	\$ 833,486
Restricted	163,769	149,291
Unrestricted	445,492	400,361
TOTAL NET POSITION	\$1,497,429	\$1,383,138

TOWN OF MIDDLESEX, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014

Total net position at June 30, 2014 is comprised of the following:

- 1) Capital assets, net of related debt of \$888,168, include property, and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
- 2) Net position of \$163,769 is restricted by constraints imposed from outside the Town, such as grantors, taxpayers, and laws or regulations.
- 3) Unrestricted net position of \$445,492 represents the portion available to maintain Town continuing obligation to citizens and creditors.
- 4) During the year ended June 30, 2014, the net position of the Town of Middlesex, Vermont increased by \$114,291.

	Governmental Activities		% Change
	June 30, 2014	June 30, 2013	
Revenue:			
Program Revenue:			
Operating Grants and Contributions	\$ 36,121	\$ 0	N/A
General Revenue:			
Property Taxes	803,567	802,262	0.2
Intergovernmental	262,785	205,509	27.9
Interest on Investments	5,761	3,736	54.2
Licenses and Fees	20,856	29,531	(29.4)
Other	70,216	58,335	20.4
Total Revenue	1,199,306	1,099,373	9.1
Expenses:			
General Government	309,319	256,414	20.6
Highways	546,365	548,006	(0.3)
Public Safety	144,123	130,719	10.3
Debt Service	29,736	31,758	(6.4)
Employee Benefits	55,472	59,480	(6.7)
Total Expenses	1,085,015	1,026,377	5.7
Increase in Net Position	114,291	72,996	
Net Position - Beginning	1,383,138	1,310,142	
Net Position - Ending	\$1,497,429	\$1,383,138	

TOWN OF MIDDLESEX, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014

The Town revenue was up 9.1% from the prior year and expenses were up 5.7%.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Town of Middlesex, Vermont basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-wide Financial Statements

The Town annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Town overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Position. This is the Town-wide statement of financial position presenting information that includes all of the Town assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town as a whole is improving or deteriorating. Evaluation of the overall economic health of the Town would extend to other nonfinancial factors such as diversification of the taxpayer base in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities which reports how the Town net position changed during the current fiscal year. All current year revenue and expenses are included regardless of when cash is received or paid. An important purpose of the design of the Statement of Activities is to show the financial reliance of the Town distinct activities or functions on revenue provided by the Town taxpayers.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Town uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Town most significant funds rather than the Town as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation.

TOWN OF MIDDLESEX, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014

The Town has one kind of fund:

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Town governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financial requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financial decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenue, Expenditures, and Changes in Fund Balances provide a reconciliation to the government-wide statements to assist in understanding the differences between these two perspectives.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

Financial Analysis of the Town Funds

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$579,417. Of this total, \$192,900 was unassigned indicating availability for continuing Town service requirements.

Major Government Funds

The General Fund is the Town primary operating fund. The fund balance of the General Fund increased by \$22,609.

General Fund Budgetary Highlights

For the year ended June 30, 2014, the taxpayers approved the budget for the General Fund of \$1,071,553. This was up 4.0% over the previous year budget of \$1,030,487. Actual expenditures for the year ended June 30, 2014 were less than the budgeted expenditures by \$41,198.

TOWN OF MIDDLESEX, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014

Capital Assets

The Town investment in capital assets net of accumulated depreciation as of June 30, 2014 was \$1,752,633. The Board of Selectmen has set a cost of \$5,000 as the minimum amount of an item to be classified as a capital asset of the Town. The Town had three purchases meeting that level during the year ended June 30, 2014.

Long-Term Debt

At the end of the fiscal year, the Town had total debt outstanding of \$864,465. This debt is expected to reach maturity in November, 2029.

Contacting the Town Financing Management

This financial report is designed to provide a general overview of the Town finances and demonstrate the Town commitment to public accountability. If you have questions about this report, or would like to request additional information, contact the Town finance department at 5 Church Street, Middlesex, Vermont 05602.

TOWN OF MIDDLESEX, VERMONT
STATEMENT OF NET POSITION
JUNE 30, 2014

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 609,851
Investments	125,049
Accounts Receivable	33
Delinquent Taxes Receivable	44,269
Prepaid Expenses	<u>26,404</u>
Total Current Assets	<u>805,606</u>
Non-Current Assets:	
Land, Buildings, and Equipment - Net of Accumulated Depreciation of \$1,042,222	<u>1,752,633</u>
TOTAL ASSETS	<u>\$2,558,239</u>
 <u>LIABILITIES</u>	
Current Liabilities:	
Accounts Payable	<u>\$ 196,345</u>
Non-Current Liabilities:	
Notes and Bonds Payable	<u>864,465</u>
TOTAL LIABILITIES	<u>\$1,060,810</u>
 <u>NET POSITION</u>	
Invested in Capital Assets - Net of Related Debt	\$ 888,168
Restricted	163,769
Unrestricted	<u>445,492</u>
TOTAL NET POSITION	<u>\$1,497,429</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

TOWN OF MIDDLESEX, VERMONT
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2014

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenue</u>	<u>Net (Expense) Revenue and Change in Net Position</u>
			<u>Operating Grant and Contributions</u>	
Governmental Activities:				
General Government	\$ 309,319	\$ 0	\$ 36,121	\$ (273,198)
Highways	546,365	0	0	(546,365)
Public Safety	144,123	0	0	(144,123)
Debt Service	29,736	0	0	(29,736)
Employee Benefits	<u>55,472</u>	<u>0</u>	<u>0</u>	<u>(55,472)</u>
Total Governmental Activities	<u>\$1,085,015</u>	<u>\$ 0</u>	<u>\$ 36,121</u>	<u>(1,048,894)</u>
General Revenue:				
Property Taxes				803,567
Intergovernmental				262,785
Interest on Investments				5,761
Licenses and Fees				20,856
Other				<u>70,216</u>
Total General Revenue				<u>1,163,185</u>
Change in Net Position				114,291
Net Position - Beginning				<u>1,383,138</u>
Net Position - Ending				<u>\$ 1,497,429</u>

The accompanying notes to the basic financial statements are an integral part of this statement

Fund Balances:									
Nonspendable	26,404	0	0	0	0	0	0	0	26,404
Restricted	0	0	0	131,592	0	0	32,177	163,769	
Assigned	0	52,373	28,146	0	0	111,936	3,889	196,344	
Unassigned	<u>192,900</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>192,900</u>	
Total Fund Balances	<u>219,304</u>	<u>52,373</u>	<u>28,146</u>	<u>131,592</u>	<u>111,936</u>	<u>36,066</u>	<u>579,417</u>		
TOTAL LIABILITIES, DERERED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$445,493</u>	<u>\$ 52,373</u>	<u>\$ 28,146</u>	<u>\$133,558</u>	<u>\$111,936</u>	<u>\$ 36,099</u>	<u>\$807,605</u>		

The accompanying notes to the basic financial statements are an integral part of this statement.

TOWN OF MIDDLESEX, VERMONT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014

Total Fund Balances - Governmental Funds	\$ 579,417
1. Capital assets used in Governmental Funds are not financial resources and, therefore, are not reported in the Governmental Funds financial statements net of accumulated depreciation.	1,752,633
2. Notes and bonds payable not requiring current financial resources have not been included in the Governmental Funds financial statements.	(864,465)
3. Deferred Revenue:	
a. Property taxes not collected within 60 days of balance sheet date, therefore, not recorded as current financial resources in the Governmental Funds financial statements.	<u>29,844</u>
Net Position of Governmental Activities	<u>\$1,497,429</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

Other Financing Sources/(Uses):								
Proceeds of Long-Term Debt	145,036	0	0	0	0	0	0	145,036
Transfers In	0	0	0	0	0	34,000	10,025	44,025
Transfers Out	<u>(44,025)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(44,025)</u>
Total Other Financing Sources/(Uses)	<u>101,011</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>34,000</u>	<u>10,025</u>	<u>145,036</u>
Net Changes in Fund Balances	22,609	8,744	(1,586)	8,596	34,040	9,105	81,508	81,508
Fund Balances - Beginning	<u>196,695</u>	<u>43,629</u>	<u>29,732</u>	<u>122,996</u>	<u>77,896</u>	<u>26,961</u>	<u>497,909</u>	<u>497,909</u>
Fund Balances - Ending	<u>\$ 219,304</u>	<u>\$ 52,373</u>	<u>\$ 28,146</u>	<u>\$ 131,592</u>	<u>\$ 111,936</u>	<u>\$ 36,066</u>	<u>\$ 579,417</u>	<u>\$ 579,417</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

TOWN OF MIDDLESEX, VERMONT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS
 STATEMENT OF REVENUE, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2014

Total Net Changes in Fund Balances - Governmental Funds	\$ 81,508
1. Current year long-term debt principal payments reported as expenditures in the Governmental Funds financial statements are shown as a reduction in long-term debt in the government-wide financial statements.	101,371
2. Depreciation is not recognized as an expense in the Governmental Funds since it does not require the use of current financial resources. The effect of the current year's depreciation is to decrease net position.	(102,689)
3. The change in deferred revenue, excluding deferred revenue relating to grants, is eliminated within the government-wide financial statements.	(21,899)
4. Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their useful lives and recorded as depreciation.	201,036
5. The proceeds of debt issuances provides correct financial resources to Governmental Funds but issuance of debt increases long-term liabilities in the Statement of Net Position.	<u>(145,036)</u>
Change in Net Position of Governmental Activities	<u>\$ 114,291</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

TOWN OF MIDDLESEX, VERMONT
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budget</u> <u>Original</u> <u>and Final</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenue:			
Property Taxes	\$ 800,863	\$ 822,518	\$ 21,655
State Aid - Highways	110,000	114,741	4,741
Interest on Investments	2,000	2,289	289
School Reimbursement	4,000	4,000	0
Licenses and Fees	32,000	19,630	(12,370)
Penalty and Interest on Delinquent Taxes	15,000	20,665	5,665
State Aid - Railroad Tax	1,200	1,670	470
State Land Use/State Pilot	79,000	81,653	2,653
Other	0	5,798	5,798
Total Revenue	<u>1,044,063</u>	<u>1,072,964</u>	<u>28,901</u>
Expenditures:			
General Government:			
Selectmen:			
Selectmen	3,150	3,150	0
Selectboard Clerk	18,989	18,702	287
Advertising/Printing	2,300	122	2,178
Legal Fees	3,000	393	2,607
Town Report	4,000	2,240	1,760
Dues - VLCT	2,541	2,541	0
Tree Warden	100	0	100
Discretionary Expenditures	11,000	6,608	4,392
Other	0	1,887	(1,887)
Total Selectmen	<u>45,080</u>	<u>35,643</u>	<u>9,437</u>
Elections	<u>400</u>	<u>1,088</u>	<u>(688)</u>
Administration:			
Salaries	56,173	40,498	15,675
Office Supplies	2,300	2,713	(413)
Equipment Repairs	250	130	120
Equipment Purchase	2,500	1,641	859

The accompanying notes to the basic financial statements are an integral part of this statement.

TOWN OF MIDDLESEX, VERMONT
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budget</u> <u>Original</u> <u>and Final</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
General Government (Continued):			
Administration (Continued):			
Listers Mileage/Expenses	\$ 2,000	\$ 2,783	\$ (783)
Courses/Seminars	500	120	380
Clerical Mileage	250	0	250
Telephone	3,800	4,191	(391)
Postage	3,000	2,897	103
Listing Wages	7,500	7,847	(347)
Auditing	3,400	3,525	(125)
Copier Lease	2,200	856	1,344
Mapping	750	1,655	(905)
Computer Maintenance	<u>5,900</u>	<u>7,567</u>	<u>(1,667)</u>
Total Administration	<u>90,523</u>	<u>76,423</u>	<u>14,100</u>
Town Hall:			
Electricity	2,100	2,162	(62)
Fuel Oil	4,500	4,687	(187)
Grounds	1,500	1,454	46
Repairs	<u>5,000</u>	<u>4,200</u>	<u>800</u>
Total Town Hall	<u>13,100</u>	<u>12,503</u>	<u>597</u>
Total General Government	<u>149,103</u>	<u>125,657</u>	<u>23,446</u>
Public Safety:			
Law Enforcement:			
Constable	1,000	0	1,000
Ambulance	55,738	55,738	0
Speed Enforcement	5,000	4,773	227
Courses/Seminars	500	0	500
Health Officer	500	570	(70)
Dog Pound/Animal Control	<u>800</u>	<u>1,200</u>	<u>(400)</u>
Total Law Enforcement	<u>63,538</u>	<u>62,281</u>	<u>1,257</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

TOWN OF MIDDLESEX, VERMONT
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budget</u> <u>Original</u> <u>and Final</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Public Safety (Continued):			
Fire Department:			
Radio Dispatch	\$ 10,562	\$ 12,165	\$ (1,603)
Fuel Oil	5,500	7,910	(2,410)
Equipment Repairs	6,500	4,906	1,594
Supplies	300	64	236
Equipment Purchase	2,225	2,483	(258)
Telephone	1,000	988	12
Fast Squad Supplies	1,600	291	1,309
Electricity	1,400	1,554	(154)
Building Maintenance	2,600	2,866	(266)
Other	<u>14,425</u>	<u>11,141</u>	<u>3,284</u>
Total Fire Department	<u>46,112</u>	<u>44,368</u>	<u>1,744</u>
Total Public Safety	<u>109,650</u>	<u>106,649</u>	<u>3,001</u>
Town Insurance:			
Workers' Compensation	9,000	7,555	1,445
Unemployment Compensation	2,000	692	1,308
Property and Casualty	<u>18,000</u>	<u>21,227</u>	<u>(3,227)</u>
Total Town Insurance	<u>29,000</u>	<u>29,474</u>	<u>(474)</u>
Employee Benefits:			
Social Security/Medicare	20,600	18,153	2,447
Retirement	12,421	10,477	1,944
Life Insurance	950	411	539
Health Insurance	35,000	25,359	9,641
Long-Term Care Insurance	<u>950</u>	<u>1,072</u>	<u>(122)</u>
Total Employee Benefits	<u>69,921</u>	<u>55,472</u>	<u>14,449</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

TOWN OF MIDDLESEX, VERMONT
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budget</u> <u>Original</u> <u>and Final</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Highways:			
Salaries	\$ 172,200	\$ 166,279	\$ 5,921
Utilities	3,000	9,733	(6,733)
Plant Maintenance	6,000	17,406	(11,406)
Equipment - Maintenance	40,000	53,657	(13,657)
Street Lights	2,000	2,1431	(141)
Gas, Oil, Diesel	63,000	65,024	(2,024)
Culverts	4,000	214	3,786
Construction/Paving	90,000	56,490	33,510
Winter Maintenance	65,650	79,885	(14,235)
Summer Maintenance	26,000	24,295	1,705
Signs	3,500	2,985	515
Courses/Seminars	300	120	180
Equipment Purchases	2,000	2,689	(689)
Other	0	232	(232)
Total Highways	<u>477,650</u>	<u>481,150</u>	<u>(3,500)</u>
Cemetery Care:			
Labor	4,300	5,060	(760)
Materials	1,300	15	1,285
Repairs to Cemetery	1,300	0	1,300
Total Cemetery Care	<u>6,900</u>	<u>5,075</u>	<u>1,825</u>
Recreation:			
Wrightsville Beach	904	904	0
Other	500	450	50
Total Recreation	<u>1,404</u>	<u>1,354</u>	<u>50</u>
Debt Service:			
Principal	101,040	101,371	(331)
Interest	29,839	29,736	103
Total Debt Service	<u>130,879</u>	<u>131,107</u>	<u>(228)</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

TOWN OF MIDDLESEX, VERMONT
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budget</u> <u>Original</u> <u>and Final</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Other:			
County Taxes	\$ 15,161	\$ 15,161	\$ 0
Solid Waste Management	1,731	1,735	(4)
Regional Planning Commission	<u>1,818</u>	<u>1,818</u>	<u>0</u>
Total Other	<u>18,710</u>	<u>18,714</u>	<u>(4)</u>
Planning Commission:			
Printing	500	37	463
Miscellaneous	1,000	0	1,000
Advertising	500	72	428
Supplies and Postage	500	0	500
Conservation Commission	<u>0</u>	<u>137</u>	<u>(137)</u>
Total Planning Commission	<u>2,500</u>	<u>246</u>	<u>2,254</u>
Zoning Board of Adjustment	<u>800</u>	<u>421</u>	<u>379</u>
Special Articles	<u>51,011</u>	<u>51,011</u>	<u>0</u>
Total Expenditures	<u>1,047,528</u>	<u>1,006,330</u>	<u>41,198</u>
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	<u>(3,465)</u>	<u>66,634</u>	<u>70,099</u>
Other Financing Sources/(Uses):			
Truck Purchase	0	(145,036)	(145,036)
Proceeds of Long-Term Debt	0	145,036	145,036
Transfers Out	<u>(24,025)</u>	<u>(44,025)</u>	<u>(20,000)</u>
Total Other Financing Sources/(Uses)	<u>(24,025)</u>	<u>(44,025)</u>	<u>(20,000)</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	<u>\$ (27,490)</u>	22,609	<u>\$ 50,099</u>
Fund Balance - Beginning		<u>196,695</u>	
Fund Balance - Ending		<u>\$ 219,304</u>	

The accompanying notes to the basic financial statements are an integral part of this statement.

TOWN OF MIDDLESEX, VERMONT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Middlesex, Vermont (the "Town") is a public entity operating under the applicable laws and regulations of the State of Vermont. It is governed by a five member Board of Selectmen elected by registered voters of the Town.

The financial statements of the Town have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (statements and interpretations), constitutes GAAP for governmental units.

Reporting Entity

The Board of Selectmen (the "Board") is elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. There are no component units included within the reporting entity.

Town-Wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities are Town-wide financial statements. They report information on all of the Town of Middlesex, Vermont nonfiduciary activities with most of the interfund activities removed. Governmental activities include programs supported primarily by taxes, State foundation funds, grants and other intergovernmental revenue. The Town has no business type activities that rely, to a significant extent, on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function. Program revenue include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Taxes and other items not properly included among program revenue are reported instead as general revenue.

TOWN OF MIDDLESEX, VERMONT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Town-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenue and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenue in the accounting period in which it becomes both measurable and available and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The Town considers all revenue available if it is collectible within 60 days after year end.

Revenue from local sources consist primarily of property taxes. Property tax revenue and revenue received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenue is recorded as revenue when received in cash because it is generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenue until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the Town to refund all or part of the unused amount.

TOWN OF MIDDLESEX, VERMONT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014

Fund Accounting

The Town reports the following major governmental funds:

1. General Fund - The General Fund is the Town primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
2. Listers Fund - This Fund accounts for monies to be used for continuing reappraisals of Town property.
3. Building Fund - This Fund accounts for monies appropriated by the taxpayers annually to be utilized on improvements/renovations to Town-owned buildings.
4. Cemetery Fund - During 2004-2005, the Cemetery Association approved turning over its funds to be maintained by the Town. These monies are to be used for upkeep to the cemetery.
5. Highway Construction/Bridge Fund - This Fund accounts for monies appropriated from the Town General Fund and monies received from federal and state governments to maintain roads and bridges in the Town.

Investments

Investments with readily determinable fair values are reported at their fair values in the financial statements. Realized/unrealized gains and losses are included in revenue and expenditures.

Capital Assets

Capital assets which include land, buildings, furniture, and equipment are reported in the applicable governmental activities column in the Town-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of one year.

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset life are not capitalized.

TOWN OF MIDDLESEX, VERMONT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014

All assets that meet the above criteria have been reported in the financial statements except for infrastructure assets. The Town is reporting infrastructure assets beginning with those acquired during the year ended December 31, 2004. Infrastructure assets acquired in prior years are not reported in these financial statements.

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

Infrastructure and Bridges - 40 Years
Buildings - 40 Years
Highway Equipment and Dump Trucks - 10 Years
Cars and Light Trucks - 5 Years

Use of Estimates

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

Budgets

The administration and finance office of the Town are responsible for preparing the annual revenue and expenditures budgets. This budget is presented to the Board of Selectmen and once the Board has adopted the budget, it is sent to the voters of the Town. The budget is voted on annually in March.

Net Position and Fund Balance

Town-Wide Financial Statements

When the Town incurs an expense for which it may use either restricted or unrestricted net position, it uses restricted net position first unless unrestricted net position will have to be returned because it was not used. Net position on the Statement of Net Position includes the following:

Investment in Capital Assets, Net of Related Debt - The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

TOWN OF MIDDLESEX, VERMONT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014

Restricted - The component of net position that is legally restricted for specific purposes.

Unrestricted - The difference between the assets and liabilities that is not reported in Net Position - Invested in Capital Assets, Net of Related Debt, or Net Position - Restricted.

Governmental Fund Financial Statements

In the fund financial statements, governmental funds report fund balances as follows:

Nonspendable Fund Balance - The nonspendable fund balance classification includes amounts that cannot be spent because they are either (1) not in spendable form, i.e.; inventories or prepaid amounts (2) legally or contractually required to be maintained intact.

Restricted Fund Balance - Fund balances are reported as restricted when constraints by outside sources or provisions are placed on the use of the resources.

Committed Fund Balance - These fund balances represent monies that must be spent on specific purposes. These amounts cannot be expended for any other purpose unless the government removes or changes the specified use by taking the same type of action, i.e.: legislation, resolution it employed to previously to commit these amounts.

Assigned Fund Balance - These amounts are for constraints by the government's intent to be used for specific purposes but are not restricted or committed.

Unassigned Fund Balance - These monies are not restricted or committed and have not been assigned to other funds. These monies are available for budgeting in future periods.

Liability for Compensated Absences

Employees of the Town of Middlesex, Vermont are granted sick leave and vacation leave in varying amounts. Employees can only utilize sick leave when sick and are not compensated for unused sick days. Employees are reimbursed for unused vacation days when terminating employment with the Town. Vacation pay is charged to operations when taken by the employee.

TOWN OF MIDDLESEX, VERMONT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2014

Note 2: CASH DEPOSITS

The Town of Middlesex, Vermont invests its funds in interest-bearing accounts. The depository bank places approved pledged securities in a collateral pool sufficient to cover the Town deposits in excess of the amount of deposits insured by the Federal Deposit Insurance Corporation (FDIC).

At June 30, 2014, the carrying amount of the Town deposits (cash, certificate of deposits and savings accounts) was \$609,731 and the bank balance was \$648,040. These amounts were covered by FDIC or collateralized as follows:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Insured (FDIC)	\$253,083	\$291,392
Uninsured - Collateralized	204,465	204,465
Uninsured - Uncollateralized	<u>152,183</u>	<u>152,183</u>
Total	<u>\$609,731</u>	<u>\$648,040</u>

Deposits and investments at June 30, 2014 consisted of the following:

Cash on Hand	\$ 120
Demand Deposits with Financial Institutions	<u>609,731</u>
Total	<u>\$609,851</u>

Note 3: INTERFUND RECEIVABLES/PAYABLES

As of June 30, 2014, interfund receivables and payables that resulted from interfund transactions were as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 1,930	\$ 0
Cemetery Fund	0	1,966
Other Governmental Funds	<u>69</u>	<u>33</u>
Total	<u>\$ 1,999</u>	<u>\$ 1,999</u>

TOWN OF MIDDLESEX, VERMONT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2014

Note 4: CAPITAL ASSET ACTIVITY

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirement</u>	<u>Ending Balance</u>
Buildings and Improvements	\$ 983,581	\$ 0	\$ 0	\$ 983,581
Equipment and Trucks	927,571	145,036	103,470	969,137
Infrastructure	313,837	0	0	313,837
Land	<u>472,300</u>	<u>56,000</u>	<u>0</u>	<u>528,300</u>
Total	2,697,289	201,036	103,470	2,794,855
Less: Accumulated Depreciation	<u>1,043,003</u>	<u>102,689</u>	<u>103,470</u>	<u>1,042,222</u>
Capital Assets - Net	<u>\$1,654,286</u>	<u>\$ 98,347</u>	<u>\$ 0</u>	<u>\$1,752,633</u>

Depreciation expense was charged to governmental functions as follows:

Highways	\$ 65,215
Public Safety	<u>37,474</u>
Total	<u>\$102,689</u>

Note 5: LONG-TERM OBLIGATIONS

At June 30, 2014, the Town of Middlesex, Vermont had the following long-term obligations outstanding:

Fire Truck Bond Payable to the Vermont Municipal Bond Bank, Variable Interest Currently at 3.30%, Annual Principal Payments of \$15,000, Matures December, 2014.	\$ 15,000
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TOWN OF MIDDLESEX, VERMONT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2014

Highway Truck Note Payable to the Merchant's Bank, Interest at 2.79%, Matures 2019.	\$145,036
Highway Truck Note Payable to the Merchant's Bank, Interest at 2.05%, Annual Principal Payments of \$19,950, Matures November, 2016.	59,429
Fire Station Construction Bond Payable to the Vermont Municipal Bond Bank, Net Interest of 4.19%, Variable Annual Principal Payments, Matures November, 2029.	<u>645,000</u>
Total	<u>\$864,465</u>

Annual debt service requirements are as follows:

<u>For the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$108,857	\$ 31,322	\$ 140,179
2016	88,857	28,631	117,488
2017	88,736	26,187	114,923
2018	69,007	23,635	92,642
2019	69,008	21,389	90,397
2020-2024	200,000	88,019	288,019
2025-2029	200,000	33,945	233,945
2030	<u>40,000</u>	<u>996</u>	<u>40,996</u>
Total	<u>\$864,465</u>	<u>\$254,124</u>	<u>\$1,118,589</u>

Changes in long-term obligations were as follows:

Outstanding Obligations - July 1, 2013	\$ 820,800
Additions of New Debt	145,036
Repayments	<u>(101,371)</u>
Outstanding Obligations - June 30, 2014	<u>\$ 864,465</u>

TOWN OF MIDDLESEX, VERMONT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014

Note 6: ACCOUNTS RECEIVABLE

Accounts receivable represents monies owed to the Town at June 30, 2014 and consisted of the following:

Non-Governmental Entities	\$ <u> 33</u>
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Note 7: RISK MANAGEMENT

The Town is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The Town maintains commercial insurance coverage 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 commercial coverage in any of the past three (3) fiscal years.

Note 8: RETIREMENT EXPENSE

All Town of Middlesex, Vermont employees who are considered full-time are covered under the Vermont Municipal Employee Retirement System (VMERS), a cost-sharing multi-employer public employee retirement system with a defined benefit plan administered by the State of Vermont. This system requires that both the Town of Middlesex, Vermont and employee contribute to the plan, which provides retirement, disability and death benefits.

There are three plans available to members. All employees of the Town of Middlesex, Vermont are covered under Plan B. Plan B requires employee contributions of 4.625% and employer contributions of 5.125%.

Employees are eligible for normal retirement after reaching age 62, provided they have completed five (5) years of service. Early retirement at a reduced payment is available as early as age 55, provided the employee has completed the five (5) years of service.

Covered wages paid under the plan were \$204,425. Contributions by employees were \$9,455 and contributions by the Town of Middlesex, Vermont were \$10,477. Additionally, the Town of Middlesex, Vermont contributions were \$10,848 for the year ended June 30, 2013 and \$10,755 for the year ended June 30, 2012.

The July 1, 2013 actuarial valuation of VMERS reports asset market value of \$446,236,000 and actuarial accrued liability of \$528,426,000, leaving an actuarial shortfall of \$82,190,000.

The retirement system issues annual financial information which is available and may be reviewed at the retirement office at 109 State Street, Montpelier, Vermont 05609-6901.

TOWN OF MIDDLESEX, VERMONT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2014

Note 9: PROPERTY TAXES

The Town is responsible for assessing and collecting property taxes for the Town School District as well as for the Town itself. Property taxes are assessed based on valuations as of April 1, annually. Property taxes are due in two equal installments on September 15 and February 15. The Town allowed a 1.5% discount if taxes were paid in full by August 20. All payments after the above dates are subject to interest charged at 0.7% per month. All taxes delinquent at February 15 are assessed an 8.0% penalty.

For the year ended June 30, 2014, property taxes were assessed and accounted for as follows:

Municipal Property Valuation	\$1,949,534	
Tax Rate	X <u>.4231</u>	
Municipal Property Taxes Billed		\$ 824,848
Homestead Property Valuation	\$1,445,320	
Tax Rate	X <u>1.5074</u>	
Homestead Property Taxes Billed		2,178,676
Non-Homestead Property Valuation	\$ 508,412	
Tax Rate	X <u>1.4991</u>	
Non-Homestead Property Taxes Billed		762,160
Less: Veteran's Exemptions		<u>(3,166)</u>
Total Property Taxes Billed		3,762,518
Add: Delinquent Taxes Receivable - July 1, 2013		<u>65,553</u>
Total to be Accounted For		<u>\$ 3,828,071</u>
Accounted For As Follows:		
Property Taxes Collected		\$ 3,765,007
Discounts Allowed		23,787
Abatements/Adjustments		136
Delinquent Taxes Receivable - (Taxes only) June 30, 2014		<u>39,141</u>
Total Accounted For		<u>\$ 3,828,071</u>

TOWN OF MIDDLESEX, VERMONT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014

Recognition of Property Taxes:

Property Taxes Billed	\$ 3,762,518
Add: Deferred Revenue - July 1, 2013	45,051
Less: Deferred Revenue - June 30, 2014	(26,100)
Less: Taxes Collected for Town School District	(2,935,028)
Less: Abatements/Adjustments	(136)
Less: Discounts Allowed	<u>(23,787)</u>
Property Taxes Recognized	<u>\$ 822,518</u>

Note 10: DEFERRED REVENUE

Deferred revenue at June 30, 2014 is comprised of the following:

General Fund:

Delinquent Property Taxes Not Collected Within 60 Days	\$ 26,100
Penalty and Interest on Delinquent Property Taxes Not Collected Within 60 Days	<u>3,744</u>
Total	<u>\$ 29,844</u>

Note 11: CLAIMS AND JUDGMENTS

The Town of Middlesex, Vermont participates in a number of federal and state programs that are fully or partially funded by grants. Expenditures financed by these grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government.

At June 30, 2014, significant amounts of grant expenditures have not been audited but the Town believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the Town.

Note 12: BUDGETED DEFICIT

The Town of Middlesex, Vermont budgeted a \$27,490 deficit in the General Fund for the year ended June 30, 2014. It was the Board of Selectmen intent to utilize a portion of the fund balance brought forward from the prior year to reduce the tax request.

TOWN OF MIDDLESEX, VERMONT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2014

Note 13: OTHER FUNDS

The fund balances of the Other Funds on Schedule 1 and Schedule 2 consisted of the following at June 30, 2014:

Town Forest Fund	\$ 40
Walter Kelley Park Fund	426
Planning Commission Fund	<u>1,000</u>
Total	<u>\$ 1,466</u>

TOWN OF MIDDLESEX, VERMONT
 COMBINING BALANCE SHEET
 OTHER GOVERNMENTAL FUNDS
 JUNE 30, 2014

	<u>Conservation Commission</u>	<u>Recreation Fund</u>	<u>Records Restoration</u>	<u>Milford Leonard Fund</u>	<u>Other Funds</u>	<u>Total Other Governmental Funds</u>
<u>ASSETS</u>						
Cash	\$ 14,005	\$ 2,889	\$ 7,134	\$ 10,503	\$ 1,466	\$ 35,997
Accounts Receivable	0	0	0	0	33	33
Due from Other Funds	0	0	69	0	0	69
TOTAL ASSETS	\$ 14,005	\$ 2,889	\$ 7,203	\$ 10,503	\$ 1,499	\$ 36,099
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Due to Other Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 33	\$ 33
Fund Balances:						
Restricted	14,005	0	7,203	10,503	466	32,177
Assigned	0	2,889	0	0	1,000	3,889
Total Fund Balances	14,005	2,889	7,203	10,503	1,466	36,066
TOTAL LIABILITIES AND FUND BALANCES	\$ 14,005	\$ 2,889	\$ 7,203	\$ 10,503	\$ 1,499	\$ 36,099

The accompanying notes to the basic financial statements are an integral part of this statement.

TOWN OF MIDDLESEX, VERMONT
 COMBINING STATEMENT OF REVENUE, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2014

	Conservation Commission	Recreation Fund	Records Restoration	Milford Leonard Fund	Other Funds	Total Other Governmental Funds
Revenue:						
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 92,121	\$ 92,121
Interest	7	1	3	5	1	17
Licenses and Fees	0	0	1,226	0	0	1,226
Other	0	0	0	0	30,523	30,523
Total Revenue	<u>7</u>	<u>1</u>	<u>1,229</u>	<u>5</u>	<u>122,645</u>	<u>123,887</u>
Expenditures:						
General Government	<u>0</u>	<u>1,803</u>	<u>0</u>	<u>360</u>	<u>122,644</u>	<u>124,807</u>
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	7	(1,802)	1,229	(355)	1	(920)
Other Financing Sources: Transfers In	<u>5,000</u>	<u>4,025</u>	<u>0</u>	<u>0</u>	<u>1,000</u>	<u>10,025</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over Expenditures	5,007	2,223	1,229	(355)	1,001	9,105
Fund Balances - Beginning	<u>8,998</u>	<u>666</u>	<u>5,974</u>	<u>10,858</u>	<u>465</u>	<u>26,961</u>
Fund Balances - Ending	<u>\$ 14,005</u>	<u>\$ 2,889</u>	<u>\$ 7,203</u>	<u>\$ 10,503</u>	<u>\$ 1,466</u>	<u>\$ 36,066</u>

The accompanying notes to the basic financial statements are an integral part of this statement.