

Federal Compliance Audit

Town of Killington, Vermont

Revised 4/23/2025

June 30, 2024



Proven Expertise & Integrity

TOWN OF KILLINGTON, VERMONT

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JUNE 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Selectboard
Town of Killington
Killington, Vermont

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town of Killington, Vermont, as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Town of Killington, Vermont's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Town of Killington, Vermont, as of June 30, 2024 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Killington, Vermont and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Killington, Vermont's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Killington, Vermont's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise doubt about the Town of Killington, Vermont's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension information on pages 5 through 12 and 57 through 60 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Killington, Vermont's basic financial statements. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements and capital asset schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the

basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements, capital asset schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2025 and April 23, 2025 on our consideration of the Town of Killington, Vermont's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Town of Killington, Vermont's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Killington, Vermont's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
Vermont Registration No. 092.0000697
Originally issued March 31, 2025
Revised April 23, 2025

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

(UNAUDITED)

The following management's discussion and analysis of the Town of Killington, Vermont's financial performance provides an overview of the Town's financial activities for the year ended June 30, 2024. Please read it in conjunction with the Town's financial statements.

Financial Statement Overview

The Town of Killington Vermont's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule and pension information and other supplementary information which includes combining and other schedules.

Basic Financial Statements

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the Town's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regard to the Town's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position - this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities - this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the above-mentioned financial statements have separate columns for the two different types of Town activities. The types of activities presented for the Town of Killington, Vermont are:

- *Governmental activities* - The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). Most of the Town's basic services are reported in governmental activities, which include general government, public safety, highways, health and sanitation, culture and recreation, social services, cemeteries, education and unclassified.
- *Business-type activities* - These activities are normally intended to recover all or a significant portion of their costs through user fees and/or charges to external users for goods and/or services. These activities for the Town of Killington, Vermont include the Alpine Drive Sewer Fund, Route 4 Sewer Fund and the Green Mountain National Golf Course Fund.

Fund Financial Statements

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

Governmental funds: Most of the basic services provided by the Town are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach, revenues are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the Town's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the Town.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and

changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

The Town of Killington, Vermont presents five columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The Town's major governmental funds are the General Fund, Killington Forward Fund and the TIF District Fund. The Town Office Capital Fund was formerly shown as a major fund but was reclassified as a nonmajor fund in the current year. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

The general fund is the only fund for which the Town legally adopted a budget. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

Proprietary Funds: The Town of Killington, Vermont maintains three proprietary funds, the Alpine Drive Sewer Fund, the Route 4 Sewer Fund and the Green Mountain National Golf Course Fund. These funds are used to show activities that operate more like those of commercial enterprises. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Statement of Cash Flows - Proprietary Funds.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, Schedule of Proportionate Share of the Net Pension Liability and Schedule of Contributions - Pension.

Other Supplementary Information

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regard to nonmajor funds, capital asset activity and other detailed budgetary information for the general fund.

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the Town's governmental and business-type activities. The Town's total net position for governmental activities decreased by \$1,838,682 from \$11,504,256 to a balance of \$9,665,574. For business-type activities, the Town's total net position decreased by \$65,749.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - decreased for the governmental activities to a deficit balance of \$137,139 at the end of the fiscal year. For the business-type activities, unrestricted net position decreased to a balance of \$637,334.

Table 1
Town of Killington, Vermont
Net Position
June 30,

	Governmental Activities		Business-type Activities	
	2024	2023 (Restated)	2024	2023 (Restated)
Assets:				
Current Assets	\$ 2,740,317	\$ 5,576,095	\$ 851,429	\$ 1,017,331
Noncurrent Assets - Capital Assets	26,198,575	16,718,122	1,888,475	2,182,831
Total Assets	28,938,892	22,294,217	2,739,904	3,200,162
Deferred Outflows of Resources:				
Deferred Outflows Related to Pensions	287,970	254,031	47,961	19,121
Total Deferred Outflows of Resources	287,970	254,031	47,961	19,121
Liabilities:				
Current Liabilities	9,222,287	2,554,431	392,702	592,986
Long-term Debt Outstanding	10,121,104	8,260,844	963,062	1,127,862
Total Liabilities	19,343,391	10,815,275	1,355,764	1,720,848
Deferred Inflows of Resources:				
Prepaid Taxes	66,782	65,833	-	-
Deferred Grant Revenues	147,821	147,821	-	-
Deferred Inflows Related to Pensions	3,294	15,063	549	1,134
Total Deferred Inflows of Resources	217,897	228,717	549	1,134
Net Position:				
Net Investment in Capital Assets	8,633,040	8,197,046	794,218	767,325
Restricted: Special Revenue Funds	94,028	67,663	-	-
Capital Projects Funds	1,075,645	2,184,565	-	-
Unrestricted (deficit)	(137,139)	1,054,982	637,334	729,976
Total Net Position	\$ 9,665,574	\$ 11,504,256	\$ 1,431,552	\$ 1,497,301

Table 2
Town of Killington, Vermont
Change in Net Position
For the Years Ended June 30,

	Governmental Activities		Business-type Activities	
	2024	2023	2024	2023
Revenues				
<i>Program Revenues:</i>				
Charges for services	\$ 263,078	\$ 274,959	\$ 1,385,945	\$ 1,678,118
Operating grants and contributions	964,490	406,558	-	-
<i>General Revenues:</i>				
Taxes	20,855,921	18,394,252	-	-
Grants and contributions not restricted to specific programs	977,839	1,027,786	-	-
Miscellaneous	1,341,123	478,651	8,383	-
Total Revenues	24,402,451	20,582,206	1,394,328	1,678,118
Expenses				
General government	3,094,879	1,954,862	-	-
Public safety	975,216	474,832	-	-
Highways	1,661,828	956,385	-	-
Health and sanitation	84,107	70,395	-	-
Culture and recreation	579,745	476,431	-	-
Social services	34,380	22,030	-	-
Cemeteries	10,000	-	-	-
Education	16,418,455	13,962,533	-	-
County tax	83,765	76,449	-	-
Program expenses	404,919	1,240,009	-	-
Interest on long-term debt	266,770	158,103	23,967	36,801
Sewer	-	-	55,429	99,600
Golf course	-	-	1,129,442	1,035,481
Depreciation	-	-	350,425	340,097
Unclassified	2,527,883	599,821	-	-
Total Expenses	26,141,947	19,991,850	1,559,263	1,511,979
Transfers	(99,186)	(23,523)	99,186	23,523
Change in Net Position	(1,838,682)	566,833	(65,749)	189,662
Net Position - July 1, As Previously Reported	11,652,077	11,085,244	1,428,826	1,239,164
Net Position Corrections	(147,821)	-	68,475	-
Net Position - July 1, As Restated	11,504,256	11,085,244	1,497,301	1,239,164
Net Position - June 30	\$ 9,665,574	\$ 11,652,077	\$ 1,431,552	\$ 1,428,826

Revenues and Expenses

Revenues for the Town of Killington, Vermont's governmental activities increased by 18.56% and total expenses increased by 30.76%. The increase in revenues was primarily due to taxes and miscellaneous revenue. Expenses increased in all areas except program expenses.

Revenues for the business-type activities decreased by 16.91%, while total expenses increased by 3.13%.

Financial Analysis of the Town's Fund Statements

Governmental funds: The financial reporting focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information may be useful in assessing the Town's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's financial position at the end of the year and the net resources available for spending.

Table 3
Town of Killington, Vermont
Fund Balances - Governmental Funds
June 30,

	<u>2024</u>	<u>2023 (Restated)</u>	<u>Increase/ (Decrease)</u>
General Fund:			
Nonspendable	\$ 134,193	\$ 117,730	\$ 16,463
Committed	300,000	378,954	(78,954)
Unassigned	603,477	919,454	(315,977)
Total General Fund	<u>\$ 1,037,670</u>	<u>\$ 1,416,138</u>	<u>\$ (378,468)</u>
 Killington Forward			
Unassigned (deficit)	\$ (392,519)	\$ (138,800)	\$ (253,719)
Total Killington Forward	<u>\$ (392,519)</u>	<u>\$ (138,800)</u>	<u>\$ (253,719)</u>
 TIF District			
Unassigned (deficit)	\$ (7,845,720)	\$ (1,718,022)	\$ (6,127,698)
Total TIF District	<u>\$ (7,845,720)</u>	<u>\$ (1,718,022)</u>	<u>\$ (6,127,698)</u>
 Nonmajor Funds:			
Special Revenue Funds:			
Restricted	\$ 94,028	\$ 67,663	\$ 26,365
Unassigned (deficit)	(1,836,991)	(10,560)	(1,826,431)
Capital Projects Funds:			
Restricted	1,075,645	2,184,565	(1,108,920)
Committed	1,863,299	1,680,174	183,125
Assigned	89,968	49,135	40,833
Unassigned (deficit)	(256,811)	(240,472)	(16,339)
Total Nonmajor Funds	<u>\$ 1,029,138</u>	<u>\$ 3,730,505</u>	<u>\$ (2,701,367)</u>

The changes to total fund balances in each of the major funds and total nonmajor funds occurred due to the regular activity of operations.

Proprietary funds: The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Alpine Drive Sewer Fund had an increase in the net position for the fiscal year of \$6,106 versus last year of \$5,404. The Route 4 Sewer Fund had a decrease in net position this fiscal year of \$110,757 versus an increase last year of \$55,145. The Green Mountain National Golf Course Fund had an increase in net position this fiscal year of \$38,902 versus last year of \$129,113.

Budgetary Highlights

There was no difference between the original and final budget for the general fund.

The general fund actual revenues were over budget by \$98,106. All revenue categories were received in excess of budgeted amounts except for property taxes.

The general fund actual expenditures were over budget by \$97,620. All expenditure categories were within or under budgeted amounts with the exception of general government, public safety, highways and health and sanitation.

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2024, the net book value of capital assets recorded by the Town increased by \$9,186,097 from the prior year. The increase is the result of capital additions of \$10,445,747 less current year depreciation of \$1,259,650.

Table 4
Town of Killington, Vermont
Capital Assets (Net of Depreciation)
June 30,

	<u>2024</u>	<u>2023</u>
Land	\$ 1,296,021	\$ 527,221
Construction in progress	9,331,191	1,647,267
Buildings, building improvements and land improvements	8,257,437	7,549,694
Machinery, equipment and vehicles	3,502,421	3,329,886
Infrastructure	5,699,980	5,846,885
Total	<u>\$ 28,087,050</u>	<u>\$ 18,900,953</u>

Debt

At June 30, 2024, the Town had \$11,529,247 in bonds, notes from direct borrowings and lease liabilities outstanding versus \$9,936,582 last year, an increase of 16.03%. Refer to Note 7 of the Notes to the Financial Statements for detailed information.

Economic Factors and Next Year's Budgets and Rates

The Town's unassigned fund balance has fallen below a level sufficient to sustain government operations for a period of approximately three months. However, the Town continues to maintain significant reserves for future operations, capital and program needs.

The 2024 - 2025 budget could be severely impacted by the reduction of funding from the State. There is no indication of reduced funding from the State for 2024 - 2025 as of the date this report was issued.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer's Office at P.O. Box 429, Killington, Vermont 05751.

TOWN OF KILLINGTON, VERMONT

STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,980,070	\$ 516,116	\$ 2,496,186
Investments	59,669	-	59,669
Accounts receivable (net of allowance for uncollectibles):			
Taxes	492,242	-	492,242
Due from golf course	357,643	-	357,643
Other	4,000	253,392	257,392
Prepaid items	134,193	20,000	154,193
Inventory	-	61,921	61,921
Internal balances	(287,500)	287,500	-
Total current assets	<u>2,740,317</u>	<u>1,138,929</u>	<u>3,879,246</u>
Noncurrent assets:			
Capital assets:			
Land and other assets not being depreciated	10,607,332	-	10,607,332
Depreciable assets, net of accumulated depreciation	15,465,001	1,803,810	17,268,811
Right of use lease assets, net of accumulated depreciation	126,242	84,665	210,907
Total noncurrent assets	<u>26,198,575</u>	<u>1,888,475</u>	<u>28,087,050</u>
TOTAL ASSETS	<u>28,938,892</u>	<u>3,027,404</u>	<u>31,966,296</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	287,970	47,961	335,931
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>287,970</u>	<u>47,961</u>	<u>335,931</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 29,226,862</u>	<u>\$ 3,075,365</u>	<u>\$ 32,302,227</u>

STATEMENT A (CONTINUED)

TOWN OF KILLINGTON, VERMONT

STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 918,954	\$ 54,669	\$ 973,623
Accrued expenses	194,295	383,649	577,944
Bond anticipation note	7,130,545	-	7,130,545
Current portion of long-term obligations	978,493	241,884	1,220,377
Total current liabilities	<u>9,222,287</u>	<u>680,202</u>	<u>9,902,489</u>
Noncurrent liabilities:			
Noncurrent portion of long-term obligations:			
Bonds payable	7,683,213	20,000	7,703,213
Notes from direct borrowings payable	1,708,666	820,770	2,529,436
Lease liabilities	64,618	11,603	76,221
Net pension liability	664,607	110,689	775,296
Total noncurrent liabilities	<u>10,121,104</u>	<u>963,062</u>	<u>11,084,166</u>
TOTAL LIABILITIES	<u>19,343,391</u>	<u>1,643,264</u>	<u>20,986,655</u>
DEFERRED INFLOWS OF RESOURCES			
Prepaid taxes	66,782	-	66,782
Deferred grant revenues	147,821	-	147,821
Deferred inflows related to pensions	3,294	549	3,843
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>217,897</u>	<u>549</u>	<u>218,446</u>
NET POSITION			
Net investment in capital assets	8,633,040	794,218	9,427,258
Restricted	1,169,673	-	1,169,673
Unrestricted (deficit)	(137,139)	637,334	500,195
TOTAL NET POSITION	<u>9,665,574</u>	<u>1,431,552</u>	<u>11,097,126</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 29,226,862</u>	<u>\$ 3,075,365</u>	<u>\$ 32,302,227</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- type Activities	Total
Governmental activities:							
General government	\$ 3,094,879	\$ 86,252	\$ -	\$ -	\$ (3,008,627)	\$ -	\$ (3,008,627)
Public safety	975,216	22,465	65	-	(952,686)	-	(952,686)
Highways	1,661,828	-	93,024	-	(1,568,804)	-	(1,568,804)
Health and sanitation	84,107	36,712	-	-	(47,395)	-	(47,395)
Culture and recreation	579,745	117,649	-	-	(462,096)	-	(462,096)
Social services	34,380	-	-	-	(34,380)	-	(34,380)
Cemeteries	10,000	-	-	-	(10,000)	-	(10,000)
Education	16,418,455	-	-	-	(16,418,455)	-	(16,418,455)
County tax	83,765	-	-	-	(83,765)	-	(83,765)
Program expenses	404,919	-	-	-	(404,919)	-	(404,919)
Interest on long-term debt	266,770	-	-	-	(266,770)	-	(266,770)
Unclassified	2,527,883	-	871,401	-	(1,656,482)	-	(1,656,482)
Total governmental activities	26,141,947	263,078	964,490	-	(24,914,379)	-	(24,914,379)
Business-type activities:							
Alpine Drive Sewer Fund	5,248	11,354	-	-	-	6,106	6,106
Rt. 4 Sewer Fund	111,679	922	-	-	-	(110,757)	(110,757)
Golf course	1,442,336	1,373,669	-	-	-	(68,667)	(68,667)
Total business-type activities	1,559,263	1,385,945	-	-	-	(173,318)	(173,318)
Total government	\$ 27,701,210	\$ 1,649,023	\$ 964,490	\$ -	(24,914,379)	(173,318)	(25,087,697)

STATEMENT B (CONTINUED)

TOWN OF KILLINGTON, VERMONT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Governmental Activities	Business- type Activities	Total
Changes in net position:			
Net (expense) revenue	(24,914,379)	(173,318)	(25,087,697)
General revenues:			
Taxes, levied for general purposes	20,855,921	-	20,855,921
Grants and contributions not restricted to specific programs	977,839	-	977,839
Miscellaneous	1,341,123	8,383	1,349,506
Total general revenues	23,174,883	8,383	23,183,266
Transfers	(99,186)	99,186	-
Change in net position	(1,838,682)	(65,749)	(1,904,431)
NET POSITION - JULY 1, AS PREVIOUSLY REPORTED	11,652,077	1,428,826	13,080,903
NET POSITION CORRECTIONS	(147,821)	68,475	(79,346)
NET POSITION - JULY 1, AS RESTATED	11,504,256	1,497,301	13,001,557
NET POSITION - JUNE 30	\$ 9,665,574	\$ 1,431,552	\$ 11,097,126

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Killington Forward	TIF District	Moved to Non- Major Fund Town Office Capital	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 1,959,417	\$ -	\$ -	\$ -	\$ 20,653	\$ 1,980,070
Investments	-	-	-	-	59,669	59,669
Accounts receivable (net of allowance for uncollectibles):						
Taxes	492,242	-	-	-	-	492,242
Due from golf course	357,643	-	-	-	-	357,643
Other	4,000	-	-	-	-	4,000
Prepaid items	134,193	-	-	-	-	134,193
Due from other funds	10,075,306	6,738,026	-	-	3,190,439	20,003,771
TOTAL ASSETS	\$ 13,022,801	\$ 6,738,026	\$ -	\$ -	\$ 3,270,761	\$ 23,031,588
LIABILITIES						
Accounts payable	\$ 918,954	\$ -	\$ -	\$ -	\$ -	\$ 918,954
Accrued expenses	194,295	-	-	-	-	194,295
Bond anticipation note	-	7,130,545	-	-	-	7,130,545
Due to other funds	10,351,749	-	7,845,720	-	2,093,802	20,291,271
TOTAL LIABILITIES	11,464,998	7,130,545	7,845,720	-	2,093,802	28,535,065
DEFERRED INFLOWS OF RESOURCES						
Prepaid taxes	66,782	-	-	-	-	66,782
Deferred tax revenues	453,351	-	-	-	-	453,351
Deferred grant revenues	-	-	-	-	147,821	147,821
TOTAL DEFERRED INFLOWS OF RESOURCES	520,133	-	-	-	147,821	667,954
FUND BALANCES (DEFICITS)						
Nonspendable	134,193	-	-	-	-	134,193
Restricted	-	-	-	-	1,169,673	1,169,673
Committed	300,000	-	-	-	1,863,299	2,163,299
Assigned	-	-	-	-	89,968	89,968
Unassigned	603,477	(392,519)	(7,845,720)	-	(2,093,802)	(9,728,564)
TOTAL FUND BALANCES (DEFICITS)	1,037,670	(392,519)	(7,845,720)	-	1,029,138	(6,171,431)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)	\$ 13,022,801	\$ 6,738,026	\$ -	\$ -	\$ 3,270,761	\$ 23,031,588

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

	<u>Total Governmental Funds</u>
Total Fund Balances	\$ (6,171,431)
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	26,198,575
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	453,351
Deferred outflows of resources related to pensions are not financial resources and therefore are not reported in the funds	287,970
Long-term obligations are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(8,052,682)
Notes from direct borrowings payable	(2,286,878)
Lease liabilities	(95,430)
Net pension liability	(664,607)
Deferred inflows of resources related to pensions are not financial resources and therefore are not reported in the funds	<u>(3,294)</u>
Net position of governmental activities	<u><u>\$ 9,665,574</u></u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Killington Forward	TIF District	Moved to Non- Major Fund Town Office Capital	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 20,767,970	\$ -	\$ -	\$ -	\$ -	\$ 20,767,970
Intergovernmental	1,070,928	-	-	-	871,401	1,942,329
Charges for services	263,078	-	-	-	-	263,078
Miscellaneous revenues	637,885	429,655	-	-	273,583	1,341,123
TOTAL REVENUES	22,739,861	429,655	-	-	1,144,984	24,314,500
EXPENDITURES						
Current:						
General government	2,064,682	-	-	-	-	2,064,682
Public safety	693,469	-	-	-	-	693,469
Highways	1,331,889	-	-	-	-	1,331,889
Health and sanitation	84,107	-	-	-	-	84,107
Culture and recreation	510,997	-	-	-	-	510,997
Social services	34,380	-	-	-	-	34,380
Cemeteries	10,000	-	-	-	-	10,000
Education	16,418,455	-	-	-	-	16,418,455
County tax	83,765	-	-	-	-	83,765
Program expenditures	-	-	404,919	-	-	404,919
Unclassified	-	-	-	-	2,508,756	2,508,756
Debt service:						
Principal	521,042	-	-	-	-	521,042
Interest	207,427	-	43,813	-	15,530	266,770
Capital outlay	-	683,374	7,228,689	-	2,380,995	10,293,058
TOTAL EXPENDITURES	21,960,213	683,374	7,677,421	-	4,905,281	35,226,289
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	779,648	(253,719)	(7,677,421)	-	(3,760,297)	(10,911,789)
OTHER FINANCING SOURCES (USES)						
Debt proceeds	-	-	1,549,723	-	-	1,549,723
Transfers in	-	-	-	-	1,158,116	1,158,116
Transfers (out)	(1,158,116)	-	-	-	(99,186)	(1,257,302)
TOTAL OTHER FINANCING SOURCES (USES)	(1,158,116)	-	1,549,723	-	1,058,930	1,450,537
NET CHANGE IN FUND BALANCES (DEFICITS)	(378,468)	(253,719)	(6,127,698)	-	(2,701,367)	(9,461,252)
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	1,416,138	-	(1,638,367)	1,572,036	2,087,835	3,437,642
FUND BALANCE CORRECTION	-	(138,800)	(79,655)	-	70,634	(147,821)
CHANGE WITHIN FINANCIAL REPORTING ENTITY	-	-	-	(1,572,036)	1,572,036	-
	-	(138,800)	(79,655)	(1,572,036)	1,642,670	(147,821)
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	1,416,138	(138,800)	(1,718,022)	-	3,730,505	3,289,821
FUND BALANCES (DEFICITS) - JUNE 30	\$ 1,037,670	\$ (392,519)	\$ (7,845,720)	\$ -	\$ 1,029,138	\$ (6,171,431)

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, 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, 2024

Net change in fund balances - total governmental funds (Statement E)	<u>\$ (9,461,252)</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset acquisitions	10,389,678
Depreciation expense	<u>(909,225)</u>
	<u>9,480,453</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported	
Taxes and liens receivable	<u>87,951</u>
Deferred outflows of resources are a consumption of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds	
	<u>33,939</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position	
	<u>634,086</u>
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term obligations in the Statement of Net Position	
	<u>(2,548,000)</u>
Deferred inflows of resources are an acquisition of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds	
	<u>11,769</u>
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:	
Net pension liability	<u>(77,628)</u>
Change in net position of governmental activities (Statement B)	<u><u>\$ (1,838,682)</u></u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2024

	Enterprise Funds			
	Alpine Drive Sewer Fund	Route 4 Sewer Fund	Golf Course Fund	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ -	\$ -	\$ 516,116	\$ 516,116
Accounts receivable (net of allowance for uncollectibles)	3,650	244,103	5,639	253,392
Prepaid items	-	-	20,000	20,000
Inventory	-	-	61,921	61,921
Due from other funds	46,850	376,434	-	423,284
Total current assets	<u>50,500</u>	<u>620,537</u>	<u>603,676</u>	<u>1,274,713</u>
Noncurrent assets:				
Capital assets:				
Construction in progress	-	-	19,880	19,880
Depreciated assets	-	1,747,073	7,040,248	8,787,321
Less: accumulated depreciation	-	(879,025)	(6,039,701)	(6,918,726)
Total noncurrent assets	<u>-</u>	<u>868,048</u>	<u>1,020,427</u>	<u>1,888,475</u>
TOTAL ASSETS	<u>50,500</u>	<u>1,488,585</u>	<u>1,624,103</u>	<u>3,163,188</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pension	-	-	47,961	47,961
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>47,961</u>	<u>47,961</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 50,500</u>	<u>\$ 1,488,585</u>	<u>\$ 1,672,064</u>	<u>\$ 3,211,149</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ -	\$ -	\$ 54,669	\$ 54,669
Due to other funds	-	-	135,784	135,784
Due to Town	-	-	357,643	357,643
Accrued liabilities	-	-	26,006	26,006
Current portion of long-term obligations	-	-	241,884	241,884
Total current liabilities	<u>-</u>	<u>-</u>	<u>815,986</u>	<u>815,986</u>
Noncurrent liabilities:				
Noncurrent portion of long-term obligations:				
Bonds payable	-	-	20,000	20,000
Note from direct borrowings payable	-	-	820,770	820,770
Lease liabilities	-	-	11,603	11,603
Net pension liability	-	-	110,689	110,689
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>963,062</u>	<u>963,062</u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>1,779,048</u>	<u>1,779,048</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	-	-	549	549
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>549</u>	<u>549</u>
NET POSITION (DEFICIT)				
Net investment in capital assets	-	868,048	(73,830)	794,218
Unrestricted	50,500	620,537	(33,703)	637,334
TOTAL NET POSITION (DEFICIT)	<u>50,500</u>	<u>1,488,585</u>	<u>(107,533)</u>	<u>1,431,552</u>
TOTAL LIABILITIES AND NET POSITION (DEFICIT)	<u>\$ 50,500</u>	<u>\$ 1,488,585</u>	<u>\$ 1,672,064</u>	<u>\$ 3,211,149</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

	Enterprise Funds			
	Alpine Drive Sewer Fund	Route 4 Sewer Fund	Golf Course Fund	Total
OPERATING REVENUES				
Charges for services	\$ 11,354	\$ 922	\$ 1,373,669	\$ 1,385,945
Other	-	-	8,383	8,383
TOTAL OPERATING REVENUES	<u>11,354</u>	<u>922</u>	<u>1,382,052</u>	<u>1,394,328</u>
OPERATING EXPENSES				
Sewer	5,248	50,181	-	55,429
Golf course	-	-	1,129,442	1,129,442
Depreciation	-	61,498	288,927	350,425
TOTAL OPERATING EXPENSES	<u>5,248</u>	<u>111,679</u>	<u>1,418,369</u>	<u>1,535,296</u>
OPERATING INCOME (LOSS)	<u>6,106</u>	<u>(110,757)</u>	<u>(36,317)</u>	<u>(140,968)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest expense	-	-	(23,967)	(23,967)
Transfers in	-	-	99,186	99,186
Transfers (out)	-	-	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>-</u>	<u>-</u>	<u>75,219</u>	<u>75,219</u>
CHANGE IN NET POSITION (DEFICIT)	<u>6,106</u>	<u>(110,757)</u>	<u>38,902</u>	<u>(65,749)</u>
NET POSITION (DEFICIT) - JANUARY 1/JULY 1, AS PREVIOUSLY REPORTED	44,394	1,599,342	(214,910)	1,428,826
NET POSITION CORRECTION	-	-	68,475	68,475
NET POSITION (DEFICIT) - JANUARY 1/JULY 1, AS RESTATED	<u>44,394</u>	<u>1,599,342</u>	<u>(146,435)</u>	<u>1,497,301</u>
NET POSITION (DEFICIT) - JUNE 30	<u>\$ 50,500</u>	<u>\$ 1,488,585</u>	<u>\$ (107,533)</u>	<u>\$ 1,431,552</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Enterprise Funds

	Enterprise Funds			
	Alpine Drive Sewer Fund	Route 4 Sewer Fund	Golf Course Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 10,063	\$ 126,961	\$ 1,376,413	\$ 1,513,437
Internal activity - receipts (payments) from/to other funds	(4,815)	(76,780)	6,317	(75,278)
Payments to suppliers	(5,248)	(50,181)	(1,119,232)	(1,174,661)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>-</u>	<u>-</u>	<u>263,498</u>	<u>263,498</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Transfer from Town	-	-	99,186	99,186
Interest paid on long-term debt	-	-	(23,967)	(23,967)
Capital asset additions/disposals	-	-	(56,069)	(56,069)
Principal payments on long-term debt	-	-	(321,249)	(321,249)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>-</u>	<u>-</u>	<u>(302,099)</u>	<u>(302,099)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	-	-	(38,601)	(38,601)
CASH AND CASH EQUIVALENTS - JANUARY 1/JULY 1	<u>-</u>	<u>-</u>	<u>554,717</u>	<u>554,717</u>
CASH AND CASH EQUIVALENTS - JUNE 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 516,116</u>	<u>\$ 516,116</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 6,106	\$ (110,757)	\$ (36,317)	\$ (140,968)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	-	61,498	288,927	350,425
Changes in operating assets and liabilities:				
(Increase) decrease in accounts receivable	(1,291)	126,039	(5,639)	119,109
(Increase) decrease in inventory	-	-	8,192	8,192
(Increase) decrease in due from other funds	(4,815)	(76,780)	-	(81,595)
(Increase) decrease in deferred outflows related to pension	-	-	(28,840)	(28,840)
Increase (decrease) in accounts payable	-	-	(7,160)	(7,160)
Increase (decrease) in due to Town	-	-	7,376	7,376
Increase (decrease) in accrued liabilities	-	-	(27,979)	(27,979)
Increase (decrease) in due to other funds	-	-	(1,059)	(1,059)
Increase (decrease) in deferred inflows related to pension	-	-	(585)	(585)
Increase (decrease) in net pension liability	-	-	66,582	66,582
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 263,498</u>	<u>\$ 263,498</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:				
Cash paid during the year for:				
Interest	\$ -	\$ -	\$ 23,967	\$ 23,967

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Killington, Vermont was incorporated under the laws of the State of Vermont. The Town operates under the Selectboard-manager form of government and provides the following services: general government, public safety, highways, health and sanitation, culture and recreation, social services, cemeteries, education and unclassified.

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The Town's combined financial statements include all accounts and all operations of the Town. We have determined that the Town has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

Implementation of New Accounting Standards

During the year ended June 30, 2024, the following statement of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 100 "Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62". The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. Management has determined that there was an impact to the financial statements due to this Statement.

Government-Wide and Fund Financial Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds).

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town's Alpine Drive Sewer Fund, Route 4 Sewer Fund and the Golf Course Fund are categorized as business-type activities. All other activities of the Town are categorized as governmental.

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions and business-type activities (general government, public safety, etc.) excluding fiduciary activities. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (taxes, certain intergovernmental revenues and charges for services, etc.).

The Town does not allocate indirect costs. All costs are charged directly to the corresponding department.

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

Measurement Focus - Basic Financial Statements and Fund Financial Statements

The financial transactions of the Town are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the Town:

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Town:

Major funds:

- a. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. The Killington Forward Fund is used to account for proceeds from a bond anticipation note related to capital infrastructure expenditures for enhancements to Killington Road and the installation of more extensive municipal water infrastructure to support future development projects.
- c. The TIF District Fund is used to account for proceeds from a current expense note related to capital infrastructure expenditures such a water, sewer and road projects.

Nonmajor funds:

- e. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- f. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Nonoperating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary funds of the Town:

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column, GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

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.

1. Accrual

Governmental activities in the government-wide financial statements and proprietary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budget

The Town's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

The following procedures are followed in establishing budgetary data reflected in the financial statements:

1. In the second half of the year the Town prepares a budget for the fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A Town meeting of the residents of the Town was called for the purpose of adopting the proposed budget after public notice of the meeting was given.
3. The budget was adopted subsequent to passage by the inhabitants of the Town.

Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the Town's policy to value investments at fair value. None of the Town's investments are reported at amortized cost. For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents. The Town Treasurer is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities
- Certificates of deposit and other evidence of deposits at banks, savings and loan associations and credit unions
- Repurchase agreements
- Money market mutual funds

Receivables

Receivables include amounts due for recreation programs and ambulance receivables. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2024. Accounts receivable netted with allowances for uncollectible accounts were \$615,035 for the year ended June 30, 2024.

Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds”. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as “internal balances”.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Inventories

Inventories consist of expendable supplies held for consumption and are valued at cost which approximates market, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when used (consumption method). Inventory of the Golf Course Fund consists of supplies and food.

Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A right of use lease asset is required to be reported at the present value of payments expected to be made during the lease term including and any/all other required financial lease obligations in accordance with the terms of the lease and excluding interest. A lease asset will be amortized in a straight-line basis over the lease term or the useful life of the underlying asset (whichever is shorter).

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated capital assets are reported at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Town. The Town is currently working on completing its fixed asset inventory.

Estimated useful lives are as follows:

Buildings and improvements	10 - 50 years
Infrastructure	20 - 50 years
Machinery and equipment	3 - 25 years
Vehicles	3 - 25 years

Long-term Obligations

The accounting treatment of long-term obligations depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in government-wide statements. The long-term obligations consist of bonds payable, notes from direct borrowings, leases and net pension liability.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable - This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted - This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

Committed - This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the Town. The inhabitants of the Town through Town meetings are the highest level of decision-making authority of the Town. Commitments may be established, modified or rescinded only through a Town meeting vote.

Assigned - This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Assigned fund balances are not used in the general fund.

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unassigned - This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Town meeting vote has provided otherwise in its commitment or assignment actions.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Vermont Municipal Employees' Retirement System (VMERS) Plan and additions to/deductions from the VMERS Plan's fiduciary net position have been determined on the same basis as they are reported by the VMERS Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has only one type of this item, deferred outflows related to pensions. This item is reported in the statement of net position.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred tax revenues, which arises only under a modified accrual basis of accounting, qualifies for reporting in this category. Accordingly, this item is reported in the governmental funds balance sheet. Prepaid taxes and deferred

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

grant revenues also qualify for reporting in this category. This item is reported in both the statements of net position and governmental funds balance sheet. Deferred inflows related to pensions qualifies for reporting in this category as well. This item is reported only in the statement of net position. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

Revenue Recognition - Property Taxes - Modified Accrual Basis

The Town's property tax for the current year was levied in July on the assessed value listed as of April 1, annually, for all real and personal property located in the Town. Taxes were due in three installments on August 15, November 15 and February 15. At the conclusion of a 10-day grace period, interest accrues on August 25, November 25 and February 25, at 1% per month for the first three months and 1½% per month for each month thereafter. An 8% Collector's Commission is added to the entire unpaid principal tax balance after February 25.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year end. The remaining receivables have been recorded as deferred revenues.

Program Revenues

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services or privileges provided; operating or capital grants and contributions, including special assessments).

Operating/Nonoperating Proprietary Fund Revenues

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund's ongoing operations. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of Estimates

During the preparation of the Town's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 - DEPOSITS AND INVESTMENTS

The Town's investment policies, which follow state statutes, authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. These investment policies apply to all Town funds.

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The Town does not have a policy covering custodial credit risk.

At June 30, 2024, the Town's cash balance of \$2,496,186 was comprised of deposits amounting to \$4,420,120 . Bank deposits are adjusted primarily by outstanding checks and deposits in transit to reconcile to the Town's cash balance. Of these deposits, \$253,456 was insured by federal depository insurance and consequently was not exposed to custodial credit risk and \$4,166,664 were covered by an irrevocable stand-by letter of credit.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 4,416,862
Savings accounts	3,258
	<u>\$ 4,420,120</u>

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the Town does not have a policy for custodial credit risk for investments.

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates. Certificates of deposit held with local financial institutions for \$59,669 are excluded from interest rate risk as these investments are considered held to maturity and are therefore not measured at fair value.

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2024, the Town’s investments of \$59,669 were comprised of certificates of deposit. This entire amount was fully insured by federal depository insurance and consequently was not exposed to custodial credit risk.

Credit risk - Statutes for the State of Vermont authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The Town does not have an investment policy on credit risk. Generally, the Town invests excess funds in savings accounts and various certificates of deposit.

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2024 consisted of the following individual fund receivables and payables:

	Receivables (Due from)	Payables (Due to)
General Fund	\$ 10,075,306	\$ 10,351,749
Killington Forward	6,738,026	-
TIF District	-	7,845,720
Nonmajor Special Revenue Funds	161,527	1,836,991
Nonmajor Capital Projects Funds	3,028,912	256,811
Alpine Drive Sewer Fund	46,850	-
Route 4 Sewer Fund	376,434	-
Golf Course Fund	-	135,784
	\$ 20,427,055	\$ 20,427,055

The result of amounts owed between funds is considered to be in the course of normal operations by the Town. Reconciliation of the amounts owed between funds may or may not be expected to be repaid within one year in their entirety due to the recurring nature of these transactions during operations.

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 - INTERFUND TRANSFERS

Interfund transfers at June 30, 2024 consisted of the following:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 1,158,116
Nonmajor Special Revenue Funds	2,500	-
Nonmajor Capital Projects Funds	1,155,616	99,186
Golf Course Fund	99,186	-
	\$ 1,257,302	\$ 1,257,302

Interfund transfers are the results of legally authorized activity and are considered to be in the course of normal operations.

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2024:

	Balance, 7/1/23	Additions	Disposals	Balance, 6/30/24
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 527,221	\$ 768,800	\$ -	\$ 1,296,021
Construction in progress	1,647,267	7,664,044	-	9,311,311
	2,174,488	8,432,844	-	10,607,332
Depreciated assets:				
Land improvements	322,444	-	-	322,444
Buildings and improvements	7,850,604	1,150,000	-	9,000,604
Vehicles	2,939,180	225,548	(177,600)	2,987,128
Machinery and equipment	807,733	334,113	-	1,141,846
Infrastructure	8,028,242	247,173	-	8,275,415
Right of use lease asset	154,057	-	-	154,057
	20,102,260	1,956,834	(177,600)	21,881,494
Less: accumulated depreciation	(5,558,626)	(909,225)	177,600	(6,290,251)
	14,543,634	1,047,609	-	15,591,243
Net governmental capital assets	\$ 16,718,122	\$ 9,480,453	\$ -	\$ 26,198,575

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 - CAPITAL ASSETS (CONTINUED)

	Balance, 7/1/23	Additions	Disposals	Balance, 6/30/24
<u>Business-type activities</u>				
Non-depreciated assets:				
Construction in progress	\$ -	\$ 19,880	\$ -	\$ 19,880
	<u>-</u>	<u>19,880</u>	<u>-</u>	<u>19,880</u>
Depreciated assets:				
Land improvements	\$ 5,945,100	\$ -	\$ -	\$ 5,945,100
Buildings and improvements	62,177	-	-	62,177
Machinery and equipment	2,649,723	36,189	-	2,685,912
Vehicles	28,079	-	(20,500)	7,579
Right of use lease asset	86,553	-	-	86,553
	<u>8,771,632</u>	<u>36,189</u>	<u>(20,500)</u>	<u>8,787,321</u>
Less: accumulated depreciation	<u>(6,588,801)</u>	<u>(350,425)</u>	<u>20,500</u>	<u>(6,918,726)</u>
	<u>2,182,831</u>	<u>(314,236)</u>	<u>-</u>	<u>1,868,595</u>
Net business-type capital assets	<u>\$ 2,182,831</u>	<u>\$ (294,356)</u>	<u>\$ -</u>	<u>\$ 1,888,475</u>
Current year depreciation:				
<u>Governmental activities</u>				
Public safety				\$ 281,747
Highway				539,603
Library				47,394
Recreation				21,354
Education				-
Town-wide				19,127
Total governmental activities depreciation expense				<u>\$ 909,225</u>
<u>Business-type activities</u>				
Route 4 Sewer				\$ 61,498
Golf Course				288,927
Total business-type activities depreciation expense				<u>\$ 350,425</u>

NOTE 6 - SHORT-TERM OBLIGATIONS

On August 21, 2023, the Town issued a bond anticipation note for expenses associated with the Killington Forward project through Mascoma Bank. The note is for up to \$8,400,000 at 4.965% interest and is payable on August 21, 2024.

The following is a summary of changes in the short-term debt for the year ended June 30, 2024:

	Balance, 7/1/23	Additions	Repayments	Balance, 6/30/24
Current expense notes	<u>\$ 2,200,000</u>	<u>\$ 7,130,545</u>	<u>\$ (2,200,000)</u>	<u>\$ 7,130,545</u>

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2024:

	Balance, 7/1/23 Restated	Additions	Deletions	Balance, 6/30/24	Current Portion
<u>Governmental activities:</u>					
Bonds payable	\$ 5,959,208	\$ 2,548,000	\$ (454,526)	\$ 8,052,682	\$ 369,469
Notes from direct borrowings payable	2,435,626	-	(148,748)	2,286,878	578,212
Lease liabilities	126,242	-	(30,812)	95,430	30,812
Totals	<u>\$ 8,521,076</u>	<u>\$ 2,548,000</u>	<u>\$ (634,086)</u>	<u>\$ 10,434,990</u>	<u>\$ 978,493</u>
<u>Business-type activities:</u>					
Bonds payable	\$ 95,000	\$ -	\$ (55,000)	\$ 40,000	\$ 20,000
Note from direct borrowings payable	1,264,506	-	(245,365)	1,019,141	198,371
Lease liabilities	56,000	-	(20,884)	35,116	23,513
Totals	<u>\$ 1,415,506</u>	<u>\$ -</u>	<u>\$ (321,249)</u>	<u>\$ 1,094,257</u>	<u>\$ 241,884</u>

NOTE 7 - LONG-TERM DEBT (CONTINUED)

The following is a summary of outstanding bonds payable, notes from direct borrowings payable and lease liabilities as of June 30, 2024:

Governmental activities bonds payable:

\$634,000, 2018 General Obligation Bonds due in annual principal payments of \$25,360, through November of 2024. Interest is charged at a fixed rate ranging from 1.70% to 4.17% per annum.	\$ 507,200
\$5,775,000, 2020 General Obligation Bonds due in annual principal payments of \$259,166, through November of 2050.	4,997,482
\$2,548,000, 2024 General Obligation Bonds TIF Road Improvements due in annual principal payments of \$84,933, through November of 2054. Interest is charged at a fixed rate of 4.216% per annum.	<u>2,548,000</u>
Total governmental activities bonds payable	<u>\$ 8,052,682</u>

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT (CONTINUED)

Governmental activities notes from direct borrowings payable:

\$200,000, 2017 Note payable due in annual principal payments of \$20,000, through September of 2027. Interest is charged at a fixed rate of 3.00% per annum.	\$ 80,000
\$588,000, 2020 Note payable due in four annual principal payments of \$58,800, through April of 2024 and a final principal payment of \$352,800 due in April of 2025. Interest is charged at a fixed rate of 3.25% per annum.	352,800
\$1,600,000, 2023 Note Payable due in annual payments of \$197,301, through April of 2023. Interest is charged at a fixed rate of 4.00% per annum.	1,600,000
The Town leases a police cruiser under a non-cancelable lease agreement. The term of the lease is a five-year period expiring in October, 2027. Annual payments are \$11,500.	33,214
The Town leases a police cruiser under a non-cancelable lease agreement. The term of the lease is a five-year period expiring in October, 2027. Annual payments are \$11,629.	39,129
The Town leases Highway Department equipment under a non-cancelable lease agreement. The term of the lease is for a ten-year period expiring in September, 2026. Annual principal and interest payments are \$13,633.	38,836
The Town leases Highway Department equipment under a non-cancelable lease agreement. The term of the lease is for a five-year period expiring in January, 2027. Interest is charged at a fixed rate of 2.75% per annum. Annual principal and interest payments are \$27,122.	52,060
The Town leases Highway Department equipment under a non-cancelable lease agreement. The term of the lease is for a five-year period expiring in April, 2029. Interest is charged at a fixed rate of 5.19% per annum. Annual principal and interest payments are \$21,092.	90,839
Total governmental activities notes from direct borrowings payable	<u>\$ 2,286,878</u>

Governmental activities lease liabilities:

The Town entered into a right of use lease for Highway Department equipment under a non-cancelable agreement. The term of the lease is a five-year period expiring in August, 2027. Annual payments are \$23,622.	\$ 70,865
The Town entered into a right of use lease for Copiers with Konica Minolta. The term of the lease is for a five-year period expiring in November 2028. Monthly payments are \$599.	24,565
Total governmental activities lease liabilities	<u>\$ 95,430</u>
Total governmental activities debt payable	<u>\$ 10,434,990</u>

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT (CONTINUED)

Business-type activities bonds payable:

\$5,000,000, 1995 General Obligation Bonds due in annual principal payments varying from \$20,000 to \$320,000, through December of 2025. Interest is charged at a fixed rate ranging from 3.55% to 5.95% per annum. \$ 40,000

Business-type activities note from direct borrowings payable:

The Town leases golf carts under a lease purchase agreement. The terms of the lease is 54 months expiring in December of 2024. Payments are \$12,329.27 for 6 months per year. \$ 12,269

\$1,183,000, 2021 Promissory Note due in annual principal payments of \$147,875, through August of 2029. Interest is charged at a fixed rate varying from 2.30% to 2.680% per annum. 887,250

The Town Leases turf equipment under a non-cancelable lease agreement. The terms of the lease is for 60 months expiring in 2027. Interest is charged at a fixed rate of 1.81% per annum. Monthly payments are \$2,238. 70,239

The Town leases turf equipment under a non-cancelable lease agreement. The term of the lease is for 60 months expiring in October of 2027. Monthly payments are \$525. 18,044

The Town leases a John Deere Tractor under a non-cancelable lease agreement. The terms of the lease is for 60 months expiring in October of 2027. Monthly payments are \$746. 26,295

The Town leases a John Deere Loader under a non-cancelable lease agreement. The terms of the lease is 60 months expiring in April of 2028. Monthly payments are \$126. 5,044

Total business-type activities bonds payable \$ 1,019,141

Business-type activities - lease liabilities

The Town leases turf equipment under a non-cancelable lease agreement. The term of the lease is for 48 months expiring in December of 2025. Monthly payments are \$1,520. \$ 25,852

The Town leases copiers under a non-cancelable lease agreement. The terms of the lease is 60 months expiring in December of 2027. Monthly payments are \$226. 9,264

Total business-type lease liabilities \$ 35,116

Total business-type activities debt payable \$ 1,094,257

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT (CONTINUED)

The following is a summary of outstanding bonds and notes from direct borrowings payable principal and interest requirements for the fiscal years ending June 30:

Governmental activities:

	Bonds Payable		Notes from Direct Borrowings Payable		Lease Liabilities		Total Debt Service
	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ 369,469	\$ 240,169	\$ 578,212	\$ 90,731	\$ 30,812	\$ -	\$ 1,309,393
2026	369,459	234,978	234,144	69,934	30,812	-	939,327
2027	369,459	227,817	215,948	60,408	30,812	-	904,444
2028	369,459	220,432	204,385	51,150	2,994	-	848,420
2029	369,459	212,468	175,874	42,519	-	-	800,320
2030-2034	1,547,295	928,876	878,315	108,191	-	-	3,462,677
2035-2039	1,347,295	713,007	-	-	-	-	2,060,302
2040-2044	1,347,295	494,777	-	-	-	-	1,842,072
2045-2049	1,220,495	274,811	-	-	-	-	1,495,306
2050-2054	742,997	75,510	-	-	-	-	818,507
	<u>\$ 8,052,682</u>	<u>\$ 3,622,845</u>	<u>\$ 2,286,878</u>	<u>\$ 422,933</u>	<u>\$ 95,430</u>	<u>\$ -</u>	<u>\$ 14,480,768</u>

Business-type activities:

	Bonds Payable		Notes from Direct Borrowings Payable		Lease Liabilities		Total Debt Service
	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ 20,000	\$ 1,785	\$ 198,371	\$ 25,862	\$ 20,960	\$ -	\$ 266,978
2026	20,000	595	187,514	20,989	10,315	-	239,413
2027	-	-	184,757	15,868	2,711	-	203,336
2028	-	-	152,749	11,961	1,130	-	165,840
2029	-	-	147,875	7,926	-	-	155,801
2030-2034	-	-	147,875	3,963	-	-	151,838
	<u>\$ 40,000</u>	<u>\$ 2,380</u>	<u>\$ 1,019,141</u>	<u>\$ 86,569</u>	<u>\$ 35,116</u>	<u>\$ -</u>	<u>\$ 1,183,206</u>

No interest costs were capitalized during the period. The amount of interest costs incurred and charged to expense for business-type activities for the year ended June 30, 2024 was \$23,967.

All bonds payable are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the Town.

The right of use lease assets associated with these lease liabilities (including amortization/depreciation applicable to the same) are presented as a separate category of Capital Assets and are grouped accordingly on the Statement of Net Position.

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 - OTHER LONG-TERM OBLIGATIONS

The following is a summary of changes in the other long-term obligations for the year ended June 30, 2024:

	Balance, 7/1/23	Additions	Deletions	Balance, 6/30/24	Current Portion
<u>Governmental activities:</u>					
Net pension liability	\$ 586,979	\$ 165,365	\$ (87,737)	\$ 664,607	\$ -
<u>Business-type activities:</u>					
Net pension liability	\$ 44,107	\$ 176,616	\$ (110,034)	\$ 110,689	\$ -

Please see Note 18 for detailed information on each of the other long-term obligations.

NOTE 9 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for the Town at June 30, 2024:

<u>Governmental Activities</u>	
Invested in Capital assets	\$ 32,488,826
Accumulated depreciation	(6,290,251)
Outstanding capital related debt	<u>(17,565,535)</u>
	<u>\$ 8,633,040</u>
 <u>Business-type activities</u>	
Invested in Capital assets	\$ 8,807,201
Accumulated depreciation	(6,918,726)
Outstanding capital related debt	<u>(1,094,257)</u>
	<u>\$ 794,218</u>

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 - RESTRICTED NET POSITION AND FUND BALANCES

At June 30, 2024, the Town had the following restricted net position and fund balances:

Wellness	\$	2,625
Sherburne Village cemetery fund		63,125
EEP mini grant		4,000
KFD donations		7,081
J Firoe fund		17,197
State reappraisal grants		377,722
Municipal planning grant		3,862
Town office capital		436,740
Traffic control devices		94,399
Planning technical services		4,715
Golf capital		135,784
Zoning deposits		96
Library Legget donation fund		22,327
		\$ 1,169,673

NOTE 11 - NONSPENDABLE FUND BALANCE

At June 30, 2024, the Town had the following restricted fund balance:

General fund:		
Prepaid items	\$	134,193
		\$ 134,193

NOTE 12 - COMMITTED FUND BALANCES

At June 30, 2024, the Town had the following committed fund balances:

General fund:		
Use of fund balance FY 2025 budget	\$	300,000
Nonmajor Capital Projects Funds (Schedule G)		1,863,299
		\$ 2,163,299

TOWN OF KILLINGTON, VERMONT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2024

NOTE 13 - ASSIGNED FUND BALANCES

At June 30, 2024, the Town had the following assigned fund balances:

Nonmajor Capital Projects Funds (Schedule G)	\$ <u>89,968</u>
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NOTE 14 - DEFICIT FUND BALANCES

At June 30, 2024, the Town had the following deficit fund balances:

Killington forward	\$ 392,519
TIF district	7,845,720
FEMA fund	1,830,349
High school equipment	267
Zoning by-law	6,375
Gravel resurfacing	18,284
Street signage	24,365
Bear mtn. annex road	9,890
Solar canopy	204,272
	\$ 10,332,041

NOTE 15 - OVERSPENT APPROPRIATIONS

The Town was non-compliant with the legally adopted budget, overspending the entire allowed appropriation of \$23,020,709 by \$97,620 at June 30, 2024.

NOTE 16 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters for which the Town carries commercial insurance. There have been no significant reductions in coverage from the prior year and amounts of settlements have not exceeded insurance coverage in the past three years. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town.

In addition, the Town is a member of the Vermont League of Cities and Towns (VLCT). The VLCT has set up two insurance trusts; the Property and Casualty Intermunicipal Fund, Inc. (PACIF) for multi-line insurance; the Vermont League of Cities and Towns Employment Resource Benefits Trust (VERB) for unemployment, life, disability and other ancillary coverage. PACIF and VERB are nonprofit corporations formed to provide insurance and risk management programs for Vermont cities and towns

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 - RISK MANAGEMENT(CONTINUED)

and is owned by the participating members. The Trusts are not licensed insurance carriers and members are not protected by the Vermont Insurance Guaranty Association.

To provide insurance coverage, PACIF has established a self-funded insurance trust. It provides extensive coverage for losses to member municipalities for property damage, auto accidents, injured employees, public official liability and employment practices liability. Members gain additional benefits from PACIF's unique public safety and risk management programs as well as dedicated in-house claims adjusters. In the event that total contributions assessed to and made by all members result in an actual or projected financial deficit and PACIF is unable to meet its required obligations, the Program will be terminated with each member assessed their proportionate share of the deficit.

To provide unemployment insurance coverage, VERB has established a self-funded fully insured program. Contributions fund unemployment claims and are based on payroll expense and the claim experience from the best four years out of the last five. Other benefits available include dental insurance, vision plans, flexible spending accounts, life insurance, disability insurance and long-term care insurance. In the event that total contributions assessed to and made by all members result in an actual or projected financial deficit and VERB is unable to meet its required obligations, the Program will be terminated with each member assessed their proportionate share of the deficit.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of asset 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.

NOTE 17 - CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the Town's financial position.

The Town participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the Town's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

Plan Description

The Vermont Municipal Employees' Retirement System (VMERS) is a cost sharing, multi-employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees. The plan was established effective July 1, 1975 and is governed by Title 24, V.S.A. Chapter 125. It is designed for persons employed on a regular basis by a school district or by a supervisory union for no fewer than 1,040 hours in a year and for no fewer than 30 hours a week for the school year, as defined in 16 V.S.A. § 1071 or for no fewer than 1,040 hours in a year and for no fewer than 24 hours a week year-round; provided, however, that if a person who was employed on a regular basis by a school district as either a special education or transportation employee and who was transferred to and is working in a supervisory union in the same capacity pursuant to 16 V.S.A. § 261a(a)(6) or (8)(E) and if that person is also employed on a regular basis by a school district within the supervisory union, then the person is an "employee" if these criteria are met by the combined hours worked for the supervisory union and school district. The term shall also mean persons employed on a regular basis by a municipality other than a school district for no fewer than 1,040 hours in a year and for no fewer than 24 hours per week, including persons employed in a library at least one-half of whose operating expenses are met by municipal funding. For the year ended June 30, 2022 (the most recent data available), the retirement system consisted of 17,253 participating members.

The general administration and responsibility for formulating administrative policy and procedures of the Retirement System for its members and their beneficiaries is vested in the Board of Trustees consisting of five members. They are the State Treasurer, two employee representatives elected by the membership of the system and two employer representatives-one elected by the governing bodies of participating employers of the system and one selected by the Governor from a list of four nominees. The list of four nominees is jointly submitted by the Vermont League of Cities and Towns and the Vermont School Boards Association.

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of creditable service. VMERS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Annual Comprehensive Financial Report. The Annual Report may be viewed on the State's Department of Finance and Management website at: [Annual Comprehensive Financial Report | Department of Finance and Management \(vermont.gov\)](#).

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Benefits Provided

The pension plan is divided into four membership groups:

- Group A - general employees whose legislative bodies have not elected to become a member of Group B or Group C
- Groups B and C - general employees whose legislative bodies have elected to become members of Group B or Group C
- Group D - sworn police officers, firefighters and emergency medical personnel

The Town participates in Group B. Benefits available to each group are based on average final compensation (AFC) and years of creditable service and are summarized below:

VMERS	Group A	Group B	Group C	Group D
Normal service retirement eligibility	Age 65 with 5 years of service or age 55 with 35 years of service	Age 62 with 5 years of service or age 55 with 30 years of service	Age 55 with 5 years of service	Age 55 with 5 years of service
Average Final Compensation (AFC)	Highest 5 consecutive years	Highest 3 consecutive years	Highest 3 consecutive years	Highest 2 consecutive years
Benefit formula - Normal Service Retirement (no reduction)	1.4% x creditable service x AFC	1.7% x creditable service x AFC + previous service; 1.4% x Group A service x AFC	2.5% x creditable service x AFC + previous service; 1.4% x Group A service x AFC; 1.7% x Group B x AFC	2.5% x creditable service x AFC + previous service; 1.4% x Group A service x AFC; 1.7% x Group B x AFC; 2.5% x Group C service x AFC
Maximum Benefit Payable	60% of AFC	60% of AFC	50% of AFC	50% of AFC

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

VMERS	Group A	Group B	Group C	Group D
Post-Retirement COLA	50% of CPI, up to 2% per year	50% of CPI, up to 3% per year	50% of CPI, up to 3% per year	50% of CPI, up to 3% per year
Early Retirement Eligibility	Age 55 with 5 years of service	Age 55 with 5 years of service	N/A	Age 50 with 20 years of service
Early Retirement Reduction	6% per year from age 65 **	6% per year from age 62 **	N/A	No reduction

** - A special early retirement factor of 3% per year only for municipal police officers who have attained age 60

Members of all groups may qualify for vested deferred allowance, disability allowances and death benefit allowance subject to meeting various eligibility requirements. Benefits are based on AFC and service.

Contributions

Title 24 VSA Chapter 125 of Vermont Statutes grants the authority to the Retirement Board to annually review the amount of municipalities' contributions as recommended by the actuary of the retirement system in order to achieve and preserve the financial integrity of the fund and to certify the rates of contributions payable by employers. The Board of Trustees also certifies the rates of contribution payable by employees. Contribution rates for each group as of July 1, 2022 are as follows:

VMERS	Group A	Group B	Group C	Group D
Employee Contributions	3.750% of gross salary	6.125% of gross salary	11.250% of gross salary	12.600% of gross salary
Employer Contributions	5.250% of gross salary	6.750% of gross salary	8.500% of gross salary	11.100% of gross salary

Employee contributions are withheld pre-income tax by the Town and are remitted to the State of Vermont. Such withholdings for the year ended June 30, 2024 totaled \$92,873. The Town contributed \$102,349 for the year ended June 30, 2024. The Town's total payroll for the year ended June 30, 2024 for all employees covered under this plan was \$1,561,289.

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities

At June 30, 2024, the Town reported a liability of \$775,296 for its proportionate share of the net pension liabilities for each plan. The net pension liabilities were measured as of June 30, 2023 and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of June 30, 2022. The Town's proportion of the net pension liabilities were based on a projection of the Town's long-term share of contributions to each pension plan relative to the projected contributions of all participating towns, actuarially determined.

At June 30, 2023, the Town's proportion was 0.24206% for VMERS, which was an increase of 0.03403% from its proportion measured as of June 30, 2022 for VMERS.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2024, the Town recognized pension expense of \$31,920 for the VMERS plan. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	VMERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 48,623	\$ -
Changes of assumptions	25,271	-
Net difference between projected and actual earnings on pension plan investments	88,206	-
Changes in proportion and differences between contributions and proportionate share of contributions	71,482	3,843
Contributions subsequent to the measurement date	102,349	-
Total	<u>\$ 335,931</u>	<u>\$ 3,843</u>

\$102,349 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

TOWN OF KILLINGTON, VERMONT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

		VMERS Plan
Plan year ended June 30:		
2024	\$	78,884
2025		48,249
2026		104,430
2027		(1,825)
2028		-
Thereafter		-

Significant Actuarial Assumptions and Methods

The total pension liability for the June 30, 2023 measurement date was determined by rolling forward the total pension liability as of June 30, 2022 to June 30, 2023. The total pension liability was calculated using the following actuarial assumptions:

Investment Rate of Return: 7.00%, net of pension plan investment expense, including inflation.

Inflation: 2.30%

Salary Increases: Varying, service-based rates from 0-10 years of service, then a single rate of 4.50% (includes assumed inflation rate of 2.30%) for all subsequent years.

Deaths After Retirement: Mortality rates for pre-retirement, healthy retirees and disabled retirees in the VMERS plan for Groups A, B, C and D were based on historical and current demographic data, adjusted to reflect health characteristics of the underlying groups and estimated future experience and professional judgment. The mortality tables were then adjusted to future years using the generational projection to reflect future mortality improvement between the measurement date and those years.

Pre-Retirement:

- Groups A/B/C - 40% PubG-2010 General Employee Amount-Weighted below-median and 60% of PubG-2010 General Employee Amount-Weighted, with generational projection using Scale MP-2021.
- Group D - PubG-2010 General Employee Amount-Weighted above-median, with generational projection using scale MP-2021.

TOWN OF KILLINGTON, VERMONT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Healthy Post-Retirement - Retirees:

- Groups A/B/C - 104% of 40% PubG-2010 General Healthy Retiree Amount-Weighted below-median and 60% of PubG-2010 General Healthy Retiree Amount-Weighted, with generational projection using scale MP-2021.
- Group D - PubG-2010 General Healthy Retiree Amount-Weighted, with generational projection using scale MP-2021.

Healthy Post-Retirement - Beneficiaries:

- Groups A/B/C - 70% Pub-2010 Contingent Survivor Amount-Weighted below-median and 30% of Pub-2010 Contingent Survivor Amount-Weighted, with generational projection using scale MP-2021.
- Group D - Pub-2010 Contingent Survivor Amount-Weighted, with generational projection using scale MP-2021.

Disabled Post-Retirement:

- All Groups - PubNS-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table with generational projection using Scale MP-2021.

Inactive Members: Valuation liability equals 100% of accumulated contributions. Inactive who are vested immediately become Deferred Members and the liabilities for all Deferred Members are based on the accrued benefit.

Future Administrative Expenses: An expense adjustment based on actual expenses for the previous year is reflected in the development of recommended employer contribution levels.

Unknown Data for Participants: The same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.

Percent Married: 85% of male members and 50% of female members are assumed to be married.

Spouse's Age: Husbands are assumed to be three years older than their wives.

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Cost-of-Living Adjustments: Assumed to occur on January 1 following one year of retirement at the rate of 1.10% per annum for Group A members and 1.20% per annum for Groups B, C and D members (beginning at Normal Retirement eligibility age for members who elect reduced early retirement, at age 62 for members of Group A, B and D who receive a disability retirement benefit and at age 55 for members of Group C who receive a disability retirement benefit). The January 1, 2024, COLA is expected to be 1.10% for Groups A, B, C and D. The January 1, 2023 COLA is 2.00% for Group A members and 3.00% for Group B, C and D members.

Actuarial Cost Method: The Entry Age Actuarial Cost Method is used. Entry age is the age at date of employment or, if date is unknown, current age minus years of service. Normal Cost and Accrued Actuarial Liability are calculated on an individual basis and are allocated by salary, with Normal Cost determined using the plan of benefits applicable to each participant.

Amortization Method: Amortization payments calculated to fully fund unfunded actuarial accrued liability with annual increases of 3% over a closed period. The amortization of unfunded actuarial accrued liability (UAAL) within the actuarially determined contribution rate calculation is based on the level percentage of pay required to amortize the UAAL over the 30-year closed period that began on July 1, 2008. As of July 1, 2022, the remaining amortization period is 16 years.

A smoothing *asset valuation method* was used for funding purposes in the VMERS plan, under which the value of assets for actuarial purposes equals market value less a five-year phase-in of the differences between actual and assumed investment return. Then value of assets for actuarial purposes may not differ from the market value of assets by more than 20%.

The *long-term expected rate of return* on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) developed for each major asset class. These best estimate ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2023 are summarized in the following table:

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Equities	44.00%	5.35%
Private Equity	10.00%	7.50%
Emerging Market Debt	2.00%	5.00%
Private and Alternative Credit	10.00%	5.50%
Non-Core Real Estate	4.00%	5.50%
Core Fixed Income	19.00%	1.50%
Core Real Estate	4.00%	3.25%
US TIPS	2.00%	1.50%
Infrastructure/Farmland	5.00%	4.25%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% for the VMERS plan. The projection of cash flows used to determine the discount rate assumed that contributions will continue to be made in accordance with the current funding policy which exceeds the actuarially determined contribution rate. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current System members. The assumed discount rate has been determined in accordance with the method prescribed by GASB 68.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.00% for the VMERS plan, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease	Discount Rate	1% Increase
<u>VMERS:</u>			
Discount rate	6.00%	7.00%	8.00%
Town's proportionate share of the net pension liability	\$ 1,166,941	\$ 775,296	\$ 453,380

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Plan Fiduciary Net Position

The schedule of employer allocations and schedule of pension amounts by employer are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The schedules present amounts that are elements of the financial statements of VMERS or their participating employers. VMERS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Annual Comprehensive Financial Report. The Annual Report can be viewed on the State's Department of Finance and Management website at: [Annual Comprehensive Financial Report | Department of Finance and Management \(vermont.gov\)](#).

NOTE 19 - DEFINED CONTRIBUTION PLAN

Plan Description

The Vermont Municipal Employees' Defined Contribution Plan (24 V.S.A. 5070), a multiple employer defined contribution pension plan, was implemented by the Vermont Municipal Employees' Retirement System's (VMERS) Board of Trustees on July 1, 2000 and is reported as a pension trust fund. The defined contribution plan was offered by municipal employers to one or more groups of their eligible employees. Once offered by the employer, each eligible employee was required to make an election to participate. Employees participating in one of the municipal defined benefit plans who elected to participate in the defined contribution plan had the July 1, 2001, actuarial value of their accrued defined benefit plan transferred to the defined contribution plan. Employers that did not offer the defined contribution plan to their employees as of December 31, 1999, have an opportunity to do so no later than December 31 of any subsequent year with the transfer effective July 1 of the following year.

Funding Policy

Plan provisions and contribution requirements are established and may be amended by the VMERS Board of Trustees. Under the defined contribution pension plan, participating employees are required to contribute at the rate of 5.00% of earnable compensation and the Town is required to contribute 5.125% of earnable compensation for the plan year. For the year ended June 30, 2024, employee contributions totaled \$9,739 and the Town made employer contributions of \$9,982. As of June 30, 2024, there were three participants in the plan.

Employees are immediately vested in their own contributions and earnings on those contributions and become vested in Town contributions and earnings on Town contributions after completion of 12 months of creditable service with the Town.

TOWN OF KILLINGTON, VERMONT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 20 - IRREVOCABLE STAND-BY LETTER OF CREDIT

At June 21, 2024, the Town had an outstanding irrevocable stand-by letter of credit issued by the Federal Home Loan Bank of Boston serving as collateral for its deposits held at Mascoma Bank. The \$20,000,000 letter of credit expires on June 23, 2025. There were no draws for the year ended June 30, 2024.

NOTE 21 - RESTATEMENTS

During fiscal year 2024, the Town determined that a change within the financial reporting entity to reclassify the Town Office Capital Fund from being presented as a major fund to being presented as a nonmajor fund was required. Additionally, certain fund balance corrections were necessary to combine existing funds with other existing funds or to break prior year expenditures out of an existing fund and into their own fund. A fund balance correction was also required to show the previously received ARPA funds as deferred revenue rather than as fund balance due to the nature of the grant agreement. This correction of fund balance for ARPA funds was also recorded as a net position correction in the Governmental Activities. Lastly, a net position correction was necessary in the Business-type Activities to correct a lease balance for payments made in a previous year that were erroneously expensed.

	6/30/2023 As Previously Reported	Change from Major Fund to Nonmajor Fund	Fund Balance Correction	Net Position Correction	6/30/2023 As Adjusted and/or Restated
Government-Wide					
Governmental Activities	\$ 11,652,077	\$ -	\$ -	\$ (147,821)	\$ 11,504,256
Business-type Activities	1,428,826	-	-	68,475	1,497,301
Total Government-Wide	\$ 13,080,903	\$ -	\$ -	\$ (79,346)	\$ 13,001,557
Governmental Funds					
Major Funds:					
General Fund	\$ 1,416,138	\$ -	\$ -	\$ -	\$ 1,416,138
Killington Forward	-	-	(138,800)	-	(138,800)
TIF District	(1,638,367)	-	(79,655)	-	(1,718,022)
Town Office Capital	1,572,036	(1,572,036)	-	-	-
Other Governmental Funds	2,087,835	1,572,036	70,634	-	3,730,505
Total Governmental Funds	\$ 3,437,642	\$ -	\$ (147,821)	\$ -	\$ 3,289,821
Enterprise Funds					
Alpine Drive Sewer Fund	\$ 44,394	\$ -	\$ -	\$ -	\$ 44,394
Route 4 Sewer Fund	1,599,342	-	-	-	1,599,342
Golf Course Fund	(214,910)	-	-	68,475	(146,435)
Total Enterprise Funds	\$ 1,428,826	\$ -	\$ -	\$ 68,475	\$ 1,497,301

NOTE 22 - REASON FOR REVISION

The financial statements were revised on April 23, 2025, to increase the reported expenditures on the Schedule of Expenditures of Federal Awards for grant ALN 97.036 by \$107,730 (from \$622,713 to \$730,443). These additional expenditures increased the total federal assistance reported from \$6,345,048 to \$6,452,778.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
- Schedule of Proportionate Share of the Net Pension Liability
- Schedule of Contributions - Pension
- Notes to Required Supplementary Information

TOWN OF KILLINGTON, VERMONT

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,416,138	\$ 1,416,138	\$ 1,416,138	\$ -
Resources (Inflows):				
Property taxes	20,906,055	20,906,055	20,767,970	(138,085)
Intergovernmental	991,500	991,500	1,070,928	79,428
Charges for services	261,950	261,950	263,078	1,128
Miscellaneous revenues	482,250	482,250	637,885	155,635
Amounts Available for Appropriation	<u>24,057,893</u>	<u>24,057,893</u>	<u>24,155,999</u>	<u>98,106</u>
Charges to Appropriations (Outflows):				
General government	2,032,068	2,032,068	2,064,682	(32,614)
Public safety	631,435	631,435	693,469	(62,034)
Highways	1,131,564	1,131,564	1,331,889	(200,325)
Health and sanitation	80,800	80,800	84,107	(3,307)
Culture and recreation	533,403	533,403	510,997	22,406
Social services	45,805	45,805	34,380	11,425
Cemeteries	10,000	10,000	10,000	-
Education	16,418,455	16,418,455	16,418,455	-
County tax	115,000	115,000	83,765	31,235
Debt service:				
Principal	651,805	651,805	521,042	130,763
Interest	212,258	212,258	207,427	4,831
Transfers to other funds	1,158,116	1,158,116	1,158,116	-
Total Charges to Appropriations	<u>23,020,709</u>	<u>23,020,709</u>	<u>23,118,329</u>	<u>(97,620)</u>
Budgetary Fund Balance, June 30	<u>\$ 1,037,184</u>	<u>\$ 1,037,184</u>	<u>\$ 1,037,670</u>	<u>\$ 486</u>
Utilization of Committed Fund Balance	<u>\$ 378,954</u>	<u>\$ 378,954</u>	<u>\$ -</u>	<u>\$ (378,954)</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<u>VMERS:</u>										
Proportion of the net pension liability	0.24%	0.21%	0.19%	0.19%	0.21%	0.25%	0.25%	0.25%	0.25%	0.25%
Proportionate share of the net pension liability	\$ 775,296	\$ 631,086	\$ 285,746	\$ 487,011	\$ 358,706	\$ 351,430	\$ 305,296	\$ 320,079	\$ 199,153	\$ 23,005
Covered payroll	\$ 1,061,457	\$ 832,749	\$ 719,398	\$ 693,904	\$ 706,225	\$ 673,950	\$ 748,213	\$ 687,272	\$ 671,793	\$ 626,367
Proportionate share of the net pension liability as a percentage of its covered payroll	73.04%	75.78%	39.72%	70.18%	50.79%	52.14%	40.80%	46.57%	29.64%	3.67%
Plan fiduciary net position as a percentage of the total pension liability	74.01%	73.60%	86.29%	74.52%	80.35%	82.60%	83.64%	80.95%	87.42%	98.32%

* The amounts presented for each fiscal year were determined as of June 30.

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

SCHEDULE OF CONTRIBUTIONS - PENSION
LAST 10 FISCAL YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>VMERS:</u>										
Contractually required contribution	\$ 102,349	\$ 68,995	\$ 52,047	\$ 43,164	\$ 39,899	\$ 39,725	\$ 37,067	\$ 41,152	\$ 37,800	\$ 36,109
Contributions in relation to the contractually required contribution	<u>(102,349)</u>	<u>(68,995)</u>	<u>(52,047)</u>	<u>(43,164)</u>	<u>(39,899)</u>	<u>(39,725)</u>	<u>(37,067)</u>	<u>(41,152)</u>	<u>(37,800)</u>	<u>(36,109)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,516,289	\$ 1,061,457	\$ 832,749	\$ 719,398	\$ 693,904	\$ 706,225	\$ 673,950	\$ 748,213	\$ 687,272	\$ 671,793
Contributions as a percentage of covered payroll	6.75%	6.50%	6.25%	6.00%	5.75%	5.62%	5.50%	5.50%	5.50%	5.38%

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

Changes of Assumptions

VMERS Pension Plan:

- Assumed rates of salary increase were adjusted, generally increased, based on plan experience.
- Assumed active retirement rates for all groups were adjusted based on plan experience.
- Assumed termination rates were adjusted based on plan experience. Rates are now split between Groups A and B and C and D.
- Assumed disability rates were adjusted based on plan experience. Rates are now split between Groups A and B and C and D.

See accompanying independent auditor's report and notes to financial statements.

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues
- Schedule of Departmental Operations - General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet - Nonmajor Capital Projects Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

TOWN OF KILLINGTON, VERMONT

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND REVENUES
 FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Property taxes	\$ 20,906,055	\$ 20,906,055	\$ 20,767,970	\$ (138,085)
Intergovernmental revenues:				
Federal and state payments	300,000	300,000	302,886	2,886
State aid - highways	111,000	111,000	93,024	(17,976)
Local option taxes	580,000	580,000	674,953	94,953
Other	500	500	65	(435)
Charges for services:				
Clerk revenue	86,250	86,250	64,492	(21,758)
Zoning revenue	15,000	15,000	21,760	6,760
Police revenue	25,300	25,300	22,465	(2,835)
Recreation revenue	100,400	100,400	117,649	17,249
Solid waste revenue	35,000	35,000	36,712	1,712
Other income:				
Interest and penalties	75,000	75,000	114,812	39,812
Interest income	15,000	15,000	162,045	147,045
Other income	392,250	392,250	361,028	(31,222)
TOTAL REVENUES	<u>\$ 22,641,755</u>	<u>\$ 22,641,755</u>	<u>\$ 22,739,861</u>	<u>\$ 98,106</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES					
General government:					
Legislating	\$ 13,500	\$ -	\$ 13,500	\$ 14,221	\$ (721)
Managing municipality	169,520	-	169,520	156,936	12,584
Town meeting and elections	4,000	-	4,000	4,145	(145)
Town/school treasurer	27,468	-	27,468	28,668	(1,200)
Bookkeeping and secretarial	203,410	-	203,410	146,744	56,666
Auditing	17,200	-	17,200	24,825	(7,625)
Listing	46,290	-	46,290	65,916	(19,626)
Tax collecting	11,800	-	11,800	6,234	5,566
Town clerk	153,930	-	153,930	136,751	17,179
Board of Civil Authority	5,000	-	5,000	800	4,200
Insurance	123,000	-	123,000	174,805	(51,805)
Planning comm. and Board of Adj.	13,400	-	13,400	22,434	(9,034)
Town planner and zoning	222,700	-	222,700	240,340	(17,640)
Town buildings	43,200	-	43,200	46,487	(3,287)
Office equipment	9,000	-	9,000	4,566	4,434
Carpentry shop	58,150	-	58,150	65,963	(7,813)
Sewer	-	-	-	38,609	(38,609)
Employee benefits	910,500	-	910,500	886,238	24,262
	<u>2,032,068</u>	<u>-</u>	<u>2,032,068</u>	<u>2,064,682</u>	<u>(32,614)</u>
Public safety:					
Police	296,431	-	296,431	240,824	55,607
Fire department	325,860	-	325,860	444,743	(118,883)
Traffic control devices	5,500	-	5,500	1,874	3,626
Fire warden	400	-	400	400	-
Ambulance service	3,244	-	3,244	5,628	(2,384)
	<u>631,435</u>	<u>-</u>	<u>631,435</u>	<u>693,469</u>	<u>(62,034)</u>

TOWN OF KILLINGTON, VERMONT

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Highways:					
Summer roads	199,415	-	199,415	401,287	(201,872)
Winter roads	480,774	-	480,774	394,031	86,743
Walkway, welcome signs, roadway	54,793	-	54,793	42,240	12,553
Town garage	46,516	-	46,516	64,134	(17,618)
Facility maintenance	109,166	-	109,166	100,080	9,086
Street lights	23,400	-	23,400	22,019	1,381
Vehicle repairs and maintenance	65,000	-	65,000	94,818	(29,818)
Vehicle repair supplies	4,000	-	4,000	71,254	(67,254)
Vehicles	148,500	-	148,500	142,026	6,474
	<u>1,131,564</u>	<u>-</u>	<u>1,131,564</u>	<u>1,331,889</u>	<u>(200,325)</u>
Health and sanitation:					
Solid waste	80,800	-	80,800	84,107	(3,307)
	<u>80,800</u>	<u>-</u>	<u>80,800</u>	<u>84,107</u>	<u>(3,307)</u>
Culture and recreation:					
Library	240,864	-	240,864	226,721	14,143
Recreation	292,539	-	292,539	284,276	8,263
	<u>533,403</u>	<u>-</u>	<u>533,403</u>	<u>510,997</u>	<u>22,406</u>
Social services	<u>45,805</u>	<u>-</u>	<u>45,805</u>	<u>34,380</u>	<u>11,425</u>
Cemeteries	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Education	<u>16,418,455</u>	<u>-</u>	<u>16,418,455</u>	<u>16,418,455</u>	<u>-</u>
County tax	<u>115,000</u>	<u>-</u>	<u>115,000</u>	<u>83,765</u>	<u>31,235</u>

TOWN OF KILLINGTON, VERMONT

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Debt service:					
Principal	651,805	-	651,805	521,042	130,763
Interest	212,258	-	212,258	207,427	4,831
	<u>864,063</u>	<u>-</u>	<u>864,063</u>	<u>728,469</u>	<u>135,594</u>
Transfers to other funds:					
Town office capital fund	16,276	-	16,276	16,276	-
Town garage capital	10,000	-	10,000	10,000	-
Public safety capital	56,000	-	56,000	56,000	-
Fire department capital	220,000	-	220,000	220,000	-
Recreation capital fund	15,000	-	15,000	15,000	-
Library capital fund	42,889	-	42,889	42,889	-
Gravel resurfacing	36,500	-	36,500	36,500	-
Bituminous resurfacing capital fund	100,000	-	100,000	100,000	-
Guard rail	38,749	-	38,749	38,749	-
Bridges/culverts	126,110	-	126,110	126,110	-
Equipment replacement capital fund	227,125	-	227,125	227,125	-
Emergency generator	5,000	-	5,000	5,000	-
Street lights	20,359	-	20,359	20,359	-
Street signs	8,268	-	8,268	8,268	-
Recreation pool fund	75,000	-	75,000	75,000	-
Trail improvement	15,000	-	15,000	15,000	-
Golf capital	100,000	-	100,000	100,000	-
Killington road walkway	43,340	-	43,340	43,340	-
Wellness	2,500	-	2,500	2,500	-
	<u>1,158,116</u>	<u>-</u>	<u>1,158,116</u>	<u>1,158,116</u>	<u>-</u>
Total Departmental Operations	<u>\$ 23,020,709</u>	<u>\$ -</u>	<u>\$ 23,010,709</u>	<u>\$ 23,118,329</u>	<u>\$ (97,620)</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 20,653	\$ -	\$ 20,653
Investments	59,669	-	59,669
Due from other funds	161,527	3,028,912	3,190,439
TOTAL ASSETS	<u>\$ 241,849</u>	<u>\$ 3,028,912</u>	<u>\$ 3,270,761</u>
LIABILITIES			
Due to other funds	\$ 1,836,991	\$ 256,811	\$ 2,093,802
TOTAL LIABILITIES	<u>1,836,991</u>	<u>256,811</u>	<u>2,093,802</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue	147,821	-	147,821
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>147,821</u>	<u>-</u>	<u>147,821</u>
FUND BALANCES (DEFICITS)			
Nonspendable	-	-	-
Restricted	94,028	1,075,645	1,169,673
Committed	-	1,863,299	1,863,299
Assigned	-	89,968	89,968
Unassigned	(1,836,991)	(256,811)	(2,093,802)
TOTAL FUND BALANCES (DEFICITS)	<u>(1,742,963)</u>	<u>2,772,101</u>	<u>1,029,138</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)	<u>\$ 241,849</u>	<u>\$ 3,028,912</u>	<u>\$ 3,270,761</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Interest income	\$ 13,486	\$ -	\$ 13,486
Intergovernmental	638,756	232,645	871,401
Other	32,041	228,056	260,097
TOTAL REVENUES	<u>684,283</u>	<u>460,701</u>	<u>1,144,984</u>
EXPENDITURES			
Capital outlay	-	2,380,995	2,380,995
Debt service:			
Interest	-	15,530	15,530
Program expenses	2,486,849	21,907	2,508,756
TOTAL EXPENDITURES	<u>2,486,849</u>	<u>2,418,432</u>	<u>4,905,281</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,802,566)</u>	<u>(1,957,731)</u>	<u>(3,760,297)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,500	1,155,616	1,158,116
Transfers (out)	-	(99,186)	(99,186)
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,500</u>	<u>1,056,430</u>	<u>1,058,930</u>
NET CHANGE IN FUND BALANCES	<u>(1,800,066)</u>	<u>(901,301)</u>	<u>(2,701,367)</u>
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	204,924	1,882,911	2,087,835
FUND BALANCE CORRECTION CHANGE WITHIN FINANCIAL REPORTING ENTITY	(147,821)	218,455	70,634
	-	1,572,036	1,572,036
	<u>(147,821)</u>	<u>1,790,491</u>	<u>1,642,670</u>
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	<u>57,103</u>	<u>3,673,402</u>	<u>3,730,505</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ (1,742,963)</u>	<u>\$ 2,772,101</u>	<u>\$ 1,029,138</u>

See accompanying independent auditor's report and notes to financial statements.

Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than fiduciary trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

TOWN OF KILLINGTON, VERMONT

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2024

	FEMA Fund	Wellness	ARPA	High School Equipment	Hazardous Mitigation	VOREC Grant	Zoning Bylaw	Sherburne Village Cemetery Fund
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,456
Investments	-	-	-	-	-	-	-	59,669
Due from other funds	-	2,625	147,821	-	-	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 2,625</u>	<u>\$ 147,821</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,125</u>
LIABILITIES								
Due to other funds	\$ 1,830,349	\$ -	\$ -	\$ 267	\$ -	\$ -	\$ 6,375	\$ -
TOTAL LIABILITIES	<u>1,830,349</u>	<u>-</u>	<u>-</u>	<u>267</u>	<u>-</u>	<u>-</u>	<u>6,375</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES								
Deferred Revenue	-	-	147,821	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>147,821</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	2,625	-	-	-	-	-	63,125
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	(1,830,349)	-	-	(267)	-	-	(6,375)	-
TOTAL FUND BALANCES (DEFICITS)	<u>(1,830,349)</u>	<u>2,625</u>	<u>-</u>	<u>(267)</u>	<u>-</u>	<u>-</u>	<u>(6,375)</u>	<u>63,125</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)	<u>\$ -</u>	<u>\$ 2,625</u>	<u>\$ 147,821</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,125</u>

TOWN OF KILLINGTON, VERMONT

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2024

	EEP Mini Grant	KFD Donations	J Fiore Fund	Total
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 17,197	\$ 20,653
Investments		-	-	59,669
Due from other funds	4,000	7,081	-	161,527
TOTAL ASSETS	<u>\$ 4,000</u>	<u>\$ 7,081</u>	<u>\$ 17,197</u>	<u>\$ 241,849</u>
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ -	\$ 1,836,991
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,836,991</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue	-	-	-	147,821
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>147,821</u>
FUND BALANCES (DEFICITS)				
Nonspendable	-	-	-	-
Restricted	4,000	7,081	17,197	94,028
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(1,836,991)
TOTAL FUND BALANCES (DEFICITS)	<u>4,000</u>	<u>7,081</u>	<u>17,197</u>	<u>(1,742,963)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)	<u>\$ 4,000</u>	<u>\$ 7,081</u>	<u>\$ 17,197</u>	<u>\$ 241,849</u>

See accompanying independent auditor's report and notes to financial statements.

SCHEDULE F

TOWN OF KILLINGTON, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	FEMA Fund	Wellness	ARPA	High School Equipment	Hazardous Mitigation	VOREC Grant	Zoning Bylaw	Sherburne Village Cemetery Fund
REVENUES								
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,311
Intergovernmental	622,713	-	-	-	5,043	-	7,000	-
Other income	-	188	-	-	-	3,750	-	-
TOTAL REVENUES	<u>622,713</u>	<u>188</u>	<u>-</u>	<u>-</u>	<u>5,043</u>	<u>3,750</u>	<u>7,000</u>	<u>13,311</u>
EXPENDITURES								
Program expenses	<u>2,453,062</u>	<u>2,907</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,875</u>	<u>15,005</u>
TOTAL EXPENDITURES	<u>2,453,062</u>	<u>2,907</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,875</u>	<u>15,005</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,830,349)</u>	<u>(2,719)</u>	<u>-</u>	<u>-</u>	<u>5,043</u>	<u>3,750</u>	<u>(4,875)</u>	<u>(1,694)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	2,500	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(1,830,349)</u>	<u>(219)</u>	<u>-</u>	<u>-</u>	<u>5,043</u>	<u>3,750</u>	<u>(4,875)</u>	<u>(1,694)</u>
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	-	2,844	147,821	(267)	(5,043)	(3,750)	(1,500)	64,819
FUND BALANCE CORRECTION	-	-	(147,821)	-	-	-	-	-
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	<u>-</u>	<u>2,844</u>	<u>-</u>	<u>(267)</u>	<u>(5,043)</u>	<u>(3,750)</u>	<u>(1,500)</u>	<u>64,819</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ (1,830,349)</u>	<u>\$ 2,625</u>	<u>\$ -</u>	<u>\$ (267)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,375)</u>	<u>\$ 63,125</u>

TOWN OF KILLINGTON, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	EEP Mini Grant	KFD Donations	J Fiore Fund	Total
REVENUES				
Interest income	\$ -	\$ -	\$ 175	\$ 13,486
Intergovernmental	4,000	-	-	638,756
Other income	-	7,081	21,022	32,041
TOTAL REVENUES	<u>4,000</u>	<u>7,081</u>	<u>21,197</u>	<u>684,283</u>
EXPENDITURES				
Program expenses	-	-	4,000	2,486,849
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>2,486,849</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>4,000</u>	<u>7,081</u>	<u>17,197</u>	<u>(1,802,566)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	2,500
Transfers (out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,500</u>
NET CHANGE IN FUND BALANCES	<u>4,000</u>	<u>7,081</u>	<u>17,197</u>	<u>(1,800,066)</u>
FUND BALANCES (DEFICITS) - JULY 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>204,924</u>
FUND BALANCE CORRECTION	<u>-</u>	<u>-</u>	<u>-</u>	<u>(147,821)</u>
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,103</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 4,000</u>	<u>\$ 7,081</u>	<u>\$ 17,197</u>	<u>\$ (1,742,963)</u>

See accompanying independent auditor's report and notes to financial statements.

Capital Projects Funds

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

TOWN OF KILLINGTON, VERMONT

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2024

	Recreation Donations	Record Restoration	State Reappraisal Grants	Gravel Resurfacing	Bituminous Resurfacing	Street Signage	Bear Mtn. Road Annex	Municipal Planning Grant
ASSETS								
Due from other funds	\$ 11,886	\$ 90,796	\$ 377,722	\$ -	\$ 150,240	\$ -	\$ -	\$ 3,862
TOTAL ASSETS	<u>\$ 11,886</u>	<u>\$ 90,796</u>	<u>\$ 377,722</u>	<u>\$ -</u>	<u>\$ 150,240</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,862</u>
LIABILITIES								
Due to other funds	\$ -	\$ -	\$ -	\$ 18,284	\$ -	\$ 24,365	\$ 9,890	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,284</u>	<u>-</u>	<u>24,365</u>	<u>9,890</u>	<u>-</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	377,722	-	-	-	-	3,862
Committed	-	90,796	-	-	150,240	-	-	-
Assigned	11,886	-	-	-	-	-	-	-
Unassigned	-	-	-	(18,284)	-	(24,365)	(9,890)	-
TOTAL FUND BALANCES (DEFICITS)	<u>11,886</u>	<u>90,796</u>	<u>377,722</u>	<u>(18,284)</u>	<u>150,240</u>	<u>(24,365)</u>	<u>(9,890)</u>	<u>3,862</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 11,886</u>	<u>\$ 90,796</u>	<u>\$ 377,722</u>	<u>\$ -</u>	<u>\$ 150,240</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,862</u>

TOWN OF KILLINGTON, VERMONT

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2024

	<u>Killington Road Walkway</u>	<u>Equipment Replacement</u>	<u>Water Study</u>	<u>Winter Swim</u>	<u>SVFD Capital Account</u>	<u>Special Projects P.C.</u>	<u>Formerly Major Fund Town Office Capital</u>	<u>Public Safety Building</u>
ASSETS								
Due from other funds	\$ 42,614	\$ 9,593	\$ -	\$ 140	\$ 256,095	\$ 258,736	\$ 436,740	\$ 65,736
TOTAL ASSETS	<u>\$ 42,614</u>	<u>\$ 9,593</u>	<u>\$ -</u>	<u>\$ 140</u>	<u>\$ 256,095</u>	<u>\$ 258,736</u>	<u>\$ 436,740</u>	<u>\$ 65,736</u>
LIABILITIES								
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	436,740	-
Committed	42,614	9,593	-	-	256,095	258,736	-	65,736
Assigned	-	-	-	140	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>42,614</u>	<u>9,593</u>	<u>-</u>	<u>140</u>	<u>256,095</u>	<u>258,736</u>	<u>436,740</u>	<u>65,736</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 42,614</u>	<u>\$ 9,593</u>	<u>\$ -</u>	<u>\$ 140</u>	<u>\$ 256,095</u>	<u>\$ 258,736</u>	<u>\$ 436,740</u>	<u>\$ 65,736</u>

TOWN OF KILLINGTON, VERMONT

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2024

	Library Capital Fund	Recreation Capital Improvement	Bridge Capital Fund	Traffic Control Devices	Planning Technical Services	Police Department Capital	Johnson Recreation Center	Golf Capital
ASSETS								
Due from other funds	\$ 61,335	\$ 92,103	\$ 329,677	\$ 94,399	\$ 4,715	\$ 44,407	\$ 451,545	\$ 135,784
TOTAL ASSETS	<u>\$ 61,335</u>	<u>\$ 92,103</u>	<u>\$ 329,677</u>	<u>\$ 94,399</u>	<u>\$ 4,715</u>	<u>\$ 44,407</u>	<u>\$ 451,545</u>	<u>\$ 135,784</u>
LIABILITIES								
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	94,399	4,715	-	-	135,784
Committed	61,335	92,103	329,677	-	-	44,407	451,545	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>61,335</u>	<u>92,103</u>	<u>329,677</u>	<u>94,399</u>	<u>4,715</u>	<u>44,407</u>	<u>451,545</u>	<u>135,784</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)								
	<u>\$ 61,335</u>	<u>\$ 92,103</u>	<u>\$ 329,677</u>	<u>\$ 94,399</u>	<u>\$ 4,715</u>	<u>\$ 44,407</u>	<u>\$ 451,545</u>	<u>\$ 135,784</u>

TOWN OF KILLINGTON, VERMONT

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2024

	Guard Rail	Zoning Deposits	Swim Team Donations	Garage Capital	Library Leggett Donation Fund	Archie Baker Bridge Grant	Solar Canopy Project	Total
ASSETS								
Due from other funds	\$ 66,824	\$ 96	\$ 11,118	\$ 10,422	\$ 22,327	\$ -	\$ -	\$ 3,028,912
TOTAL ASSETS	\$ 66,824	\$ 96	\$ 11,118	\$ 10,422	\$ 22,327	\$ -	\$ -	\$ 3,028,912
LIABILITIES								
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 204,272	\$ 256,811
TOTAL LIABILITIES	-	-	-	-	-	-	204,272	256,811
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	96	-	-	22,327	-	-	1,075,645
Committed	-	-	-	10,422	-	-	-	1,863,299
Assigned	66,824	-	11,118	-	-	-	-	89,968
Unassigned	-	-	-	-	-	-	(204,272)	(256,811)
TOTAL FUND BALANCES (DEFICITS)	66,824	96	11,118	10,422	22,327	-	(204,272)	2,772,101
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	\$ 66,824	\$ 96	\$ 11,118	\$ 10,422	\$ 22,327	\$ -	\$ -	\$ 3,028,912

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

	Recreation Donations	Record Restoration	State Reappraisal Grants	Gravel Resurfacing	Bituminous Resurfacing	Street Signage	Bear Mtn. Road Annex	Municipal Planning Grant
REVENUES								
Intergovernmental	\$ -	\$ -	\$ 28,510	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	1,686	13,924	-	-	-	-	53,612	-
TOTAL REVENUES	<u>1,686</u>	<u>13,924</u>	<u>28,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,612</u>	<u>-</u>
EXPENDITURES								
Capital outlay	-	-	-	87,524	494,455	32,876	63,502	-
Debt service:								
Interest	-	-	-	-	-	-	-	-
Program expenses	500	6,875	2,045	-	-	-	-	-
TOTAL EXPENDITURES	<u>500</u>	<u>6,875</u>	<u>2,045</u>	<u>87,524</u>	<u>494,455</u>	<u>32,876</u>	<u>63,502</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,186</u>	<u>7,049</u>	<u>26,465</u>	<u>(87,524)</u>	<u>(494,455)</u>	<u>(32,876)</u>	<u>(9,890)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	36,500	100,000	8,268	-	-
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,500</u>	<u>100,000</u>	<u>8,268</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	<u>1,186</u>	<u>7,049</u>	<u>26,465</u>	<u>(51,024)</u>	<u>(394,455)</u>	<u>(24,608)</u>	<u>(9,890)</u>	<u>-</u>
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	10,700	83,747	351,257	32,740	544,695	243	-	3,862
FUND BALANCE CORRECTIONS CHANGE WITHIN FINANCIAL REPORTING ENTITY	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	<u>10,700</u>	<u>83,747</u>	<u>351,257</u>	<u>32,740</u>	<u>544,695</u>	<u>243</u>	<u>-</u>	<u>3,862</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 11,886</u>	<u>\$ 90,796</u>	<u>\$ 377,722</u>	<u>\$ (18,284)</u>	<u>\$ 150,240</u>	<u>\$ (24,365)</u>	<u>\$ (9,890)</u>	<u>\$ 3,862</u>

TOWN OF KILLINGTON, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

	Killington Road Walkway	Equipment Replacement	Water Study	Winter Swim	SVFD Capital Account	Special Projects P.C.	Formerly Major Fund Town Office Capital	Public Safety Building
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	-	70,818	-	-	-	25,726	-	45,134
TOTAL REVENUES	-	70,818	-	-	-	25,726	-	45,134
EXPENDITURES								
Capital outlay	726	313,118	-	-	2,543	4,975	1,151,572	41,510
Debt service:								
Interest	-	6,828	-	-	-	-	-	-
Program expenses	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	726	319,946	-	-	2,543	4,975	1,151,572	41,510
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(726)	(249,128)	-	-	(2,543)	20,751	(1,151,572)	3,624
OTHER FINANCING SOURCES (USES)								
Transfers in	43,340	232,125	-	-	220,000	-	16,276	20,000
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	43,340	232,125	-	-	220,000	-	16,276	20,000
NET CHANGE IN FUND BALANCES (DEFICITS)	42,614	(17,003)	-	-	217,457	20,751	(1,135,296)	23,624
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	-	26,596	(79,655)	140	38,638	99,185	-	42,112
FUND BALANCE CORRECTIONS	-	-	79,655	-	-	138,800	-	-
CHANGE WITHIN FINANCIAL REPORTING ENTITY	-	-	-	-	-	-	1,572,036	-
	-	-	79,655	-	-	138,800	1,572,036	-
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	-	26,596	-	140	38,638	237,985	1,572,036	42,112
FUND BALANCES (DEFICITS) - JUNE 30	\$ 42,614	\$ 9,593	\$ -	\$ 140	\$ 256,095	\$ 258,736	\$ 436,740	\$ 65,736

TOWN OF KILLINGTON, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

	Library Capital Fund	Recreation Capital Improvement	Bridge Capital Fund	Traffic Control Devices	Planning Technical Services	Police Department Capital	Johnson Recreation Center	Golf Capital
REVENUES								
Intergovernmental	\$ -	\$ 29,135	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	-	-	-	-	-	1,378	-	2,700
TOTAL REVENUES	-	29,135	-	-	-	1,378	-	2,700
EXPENDITURES								
Capital outlay	32,855	70,730	1,861	18,812	-	17,076	-	4,573
Debt service:								
Interest	2,648	-	-	-	-	6,054	-	-
Program expenses	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	35,503	70,730	1,861	18,812	-	23,130	-	4,573
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(35,503)	(41,595)	(1,861)	(18,812)	-	(21,752)	-	(1,873)
OTHER FINANCING SOURCES (USES)								
Transfers in	42,889	30,000	126,110	20,359	-	36,000	75,000	100,000
Transfers (out)	-	-	-	-	-	-	-	(99,186)
TOTAL OTHER FINANCING SOURCES (USES)	42,889	30,000	126,110	20,359	-	36,000	75,000	814
NET CHANGE IN FUND BALANCES (DEFICITS)	7,386	(11,595)	124,249	1,547	-	14,248	75,000	(1,059)
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	53,949	103,698	205,428	92,852	4,715	30,159	376,545	136,843
FUND BALANCE CORRECTIONS	-	-	-	-	-	-	-	-
CHANGE WITHIN FINANCIAL REPORTING ENTITY	-	-	-	-	-	-	-	-
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	53,949	103,698	205,428	92,852	4,715	30,159	376,545	136,843
FUND BALANCES (DEFICITS) - JUNE 30	\$ 61,335	\$ 92,103	\$ 329,677	\$ 94,399	\$ 4,715	\$ 44,407	\$ 451,545	\$ 135,784

TOWN OF KILLINGTON, VERMONT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

	Guard Rail	Zoning Deposits	Swim Team Donations	Garage Capital	Library Leggett Donation Fund	Archie Baker Bridge Grant	Solar Canopy Project	Total
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175,000	\$ -	\$ 232,645
Other income	-	-	3,179	270	9,629	-	-	228,056
TOTAL REVENUES	-	-	3,179	270	9,629	175,000	-	635,701
EXPENDITURES								
Capital outlay	-	-	-	42,287	-	-	-	2,380,995
Debt service:								
Interest	-	-	-	-	-	-	-	15,530
Program expenses	-	-	2,281	-	10,206	-	-	21,907
TOTAL EXPENDITURES	-	-	2,281	42,287	10,206	-	-	2,418,432
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	898	(42,017)	(577)	175,000	-	(1,957,731)
OTHER FINANCING SOURCES (USES)								
Transfers in	38,749	-	-	10,000	-	-	-	1,155,616
Transfers (out)	-	-	-	-	-	-	-	(99,186)
TOTAL OTHER FINANCING SOURCES (USES)	38,749	-	-	10,000	-	-	-	1,056,430
NET CHANGE IN FUND BALANCES (DEFICITS)	38,749	-	898	(32,017)	(577)	175,000	-	(901,301)
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	28,075	96	10,220	42,439	22,904	(175,000)	(204,272)	1,882,911
FUND BALANCE CORRECTIONS	-	-	-	-	-	-	-	218,455
CHANGE WITHIN FINANCIAL REPORTING ENTITY	-	-	-	-	-	-	-	1,572,036
	-	-	-	-	-	-	-	1,790,491
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	28,075	96	10,220	42,439	22,904	(175,000)	(204,272)	3,673,402
FUND BALANCES (DEFICITS) - JUNE 30	\$ 66,824	\$ 96	\$ 11,118	\$ 10,422	\$ 22,327	\$ -	\$ (204,272)	\$ 2,772,101

See accompanying independent auditor's report and notes to financial statements.

General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities' column of the government-wide statement of net position.

TOWN OF KILLINGTON, VERMONT

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION

JUNE 30, 2024

	Land and Non-depreciable Assets	Buildings, Building Improvements and Land Improvements	Furniture, Fixtures, Equipment and Vehicles	Infrastructure	Total
Public safety	\$ 527,221	\$ 6,338,509	\$ 2,222,553	\$ -	\$ 9,088,283
Highways	-	621,460	1,835,771	8,034,419	10,491,650
Library	-	865,140	31,140	96,299	992,579
Recreation	-	312,899	39,789	8,768	361,456
Education	-	-	53,200	-	53,200
Town-wide	10,080,111	1,185,040	100,578	135,929	11,501,658
Sewer fund	-	-	1,747,073	-	1,747,073
Golf course	19,880	6,007,277	1,032,971	-	7,060,128
	<u>10,627,212</u>	<u>15,330,325</u>	<u>7,063,075</u>	<u>8,275,415</u>	<u>41,296,027</u>
Total General Capital Assets	10,627,212	15,330,325	7,063,075	8,275,415	41,296,027
Less: Accumulated Depreciation	<u>-</u>	<u>(7,072,888)</u>	<u>(3,560,654)</u>	<u>(2,575,435)</u>	<u>(13,208,977)</u>
Net General Capital Assets	<u>\$ 10,627,212</u>	<u>\$ 8,257,437</u>	<u>\$ 3,502,421</u>	<u>\$ 5,699,980</u>	<u>\$ 28,087,050</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KILLINGTON, VERMONT

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2024

	General Capital Assets 7/1/23	Additions	Deletions	General Capital Assets 6/30/24
Public safety	\$ 9,088,283	\$ -	\$ -	\$ 9,088,283
Highways	9,862,417	806,833	(177,600)	10,491,650
Library	992,579	-	-	992,579
Recreation	361,456	-	-	361,456
Education	53,200	-	-	53,200
Town-wide	1,918,813	9,582,845	-	11,501,658
Sewer fund	1,747,073	-	-	1,747,073
Golf course	7,024,559	56,069	(20,500)	7,060,128
Total General Capital Assets	31,048,380	10,445,747	(198,100)	41,296,027
Less: Accumulated Depreciation	(12,147,427)	(1,259,650)	198,100	(13,208,977)
Net General Capital Assets	<u>\$ 18,900,953</u>	<u>\$ 9,186,097</u>	<u>\$ -</u>	<u>\$ 28,087,050</u>

See accompanying independent auditor's report and notes to financial statements.

Federal Compliance

Federal compliance includes financial information and reports that are required in accordance with Government Auditing Standards and/or the Uniform Guidance in accordance with 2 CFR § 515. Such financial information and reports include:

- Schedule of Expenditures of Federal Awards
- Notes to Schedule of Expenditures of Federal Awards
- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
- Independent Auditor's Report on Compliance or Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance
- Schedule of Findings and Questioned Costs

TOWN OF KILLINGTON, VERMONT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Pass Through Number	Federal Expenditures
United States Department of Transportation			
Passed through State of Vermont Agency of Transportation Highway Planning and Construction	20.205	08100-CA0699	\$ 43,350
Total United States Department of Transportation			<u>43,350</u>
United States Environmental Protection Agency			
Passed through Vermont Department of Environmental Conservation			
Capitalization Grants for Drinking Water State Revolving Fund	66.468	06140-RF2-554	5,164,730
Capitalization Grants for Drinking Water State Revolving Fund	66.468	06140-RF3-459	<u>514,255</u>
Total United States Environmental Protection Agency			<u>5,678,985</u>
United States Department of Homeland Security			
Passed through State of Vermont Department of Public Safety			
Disaster Grants - Public Assistance	97.036	02140-84720-074	\$ 730,443
Total United States Department of Homeland Security			<u>730,443</u>
TOTAL FEDERAL ASSISTANCE			<u>\$ 6,452,778</u>

TOWN OF KILLINGTON, VERMONT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Town of Killington, Vermont under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Killington, Vermont, it is not intended to and does not present the financial position, changes in net position or cash flows of the Town of Killington, Vermont.

2. Summary of Significant Accounting Policies

- a. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- b. The Town of Killington, Vermont has not elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

3. Expenditures to Subrecipients

The Town of Killington, Vermont did not subgrant any federal awards during the fiscal year ended June 30, 2024.

4. Revision of the Schedule

The Schedule was revised on April 23, 2025, to add additional expenditures of \$107,730 to ALN 97.036. This addition of expenditures increased grant ALN 97.036 from \$622,713 to \$730,443 and increased the total federal assistance reported from \$6,345,048 to \$6,452,778.



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

Selectboard
Town of Killington
Killington, Vermont

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town of Killington, Vermont as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Town of Killington, Vermont's basic financial statements and have issued our report thereon dated March 31, 2025 and April 23, 2025.

Report on Internal Control Over Financial Reporting

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

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

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Killington, Vermont's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain other matters that we reported to management of the Town of Killington, Vermont in a separate letter dated March 31, 2025.

Purpose of this Report

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

RHR Smith & Company

Buxton, Maine
Vermont Registration No. 092.0000697
Originally issued March 31, 2025
Revised April 23, 2025



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Selectboard
Town of Killington
Killington, Vermont

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Killington, Vermont's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Town of Killington, Vermont's major federal programs for the year ended June 30, 2024. The Town of Killington, Vermont's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of Killington, Vermont complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town of Killington, Vermont and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town of Killington, Vermont's compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town of Killington, Vermont's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town of Killington, Vermont's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town of Killington, Vermont's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town of Killington, Vermont's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town of Killington, Vermont's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town of Killington, Vermont's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

RHR Smith & Company

Buxton, Maine
Vermont Registration No. 092.0000697
Originally issued March 31, 2025
Revised April 23, 2025

TOWN OF KILLINGTON, VERMONT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

Section I - Summary of Auditor's Results

• *Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___yes X no
- Significant deficiency(ies) identified? ___yes X no
- Noncompliance material to financial statements noted? ___yes X no

• *Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? ___yes X no
- Significant deficiency(ies) identified? ___yes X no

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with §200.516 of Uniform Guidance? ___yes X no

Identification of major programs:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
66.468	Capitalization Grants for Drinking Water State Revolving Fund

Dollar threshold used to distinguish between type A and B: \$750,000

Auditee qualified as low-risk auditee? ___yes X no

Section II - Financial Statement Findings

None

Section III - Findings and Questioned Costs for Federal Awards

None