TOWN OF PLYMOUTH, VERMONT

CONTENTS

JUNE 30, 2024

	PAGE
INDEPENDENT AUDITOR'S REPORT	1 - 4
MANAGEMENT'S DISCUSSION AND ANALYSIS	5 - 11
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT A - STATEMENT OF NET POSITION	12
STATEMENT B - STATEMENT OF ACTIVITIES	13 - 14
FUND FINANCIAL STATEMENTS	
STATEMENT C - BALANCE SHEET - GOVERNMENTAL FUNDS	15
STATEMENT D - RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	16
STATEMENT E - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS	17
STATEMENT F - RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	18
NOTES TO FINANCIAL STATEMENTS	19 - 45
REQUIRED SUPPLEMENTARY INFORMATION	
REQUIRED SUPPLEMENTARY INFORMATION DESCRIPTION	46
SCHEDULE 1 - BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND	47

SCHEDULE 2 - SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY 48

SCHEDULE 3 - SCHEDULE OF CONTRIBUTIONS 49

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION 50

OTHER SUPPLEMENTARY INFORMATION

OTHER SUPPLEMENTARY INFORMATION DESCRIPTION 51

SCHEDULE A - BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND REVENUES 52

SCHEDULE B - SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND 53

SCHEDULE C - COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS 54

SCHEDULE D - COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS 55

SPECIAL REVENUE FUNDS DESCRIPTION 56

SCHEDULE E - COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS 57

SCHEDULE F - COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS 58

CAPITAL PROJECTS FUNDS DESCRIPTION 59

SCHEDULE G - COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS 60

SCHEDULE H - COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR CAPITAL PROJECTS FUNDS 61

PERMANENT FUNDS DESCRIPTION 62

SCHEDULE I - COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS 63

SCHEDULE J - COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR PERMANENT FUNDS 64

GENERAL CAPITAL ASSETS DESCRIPTION 65

SCHEDULE K - SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION 66

SCHEDULE L - SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION 67

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* 68 - 69

RHR SMITH & COMPANY
Certified Public Accountants
Proven Expertise & Integrity

INDEPENDENT AUDITOR'S REPORT

Selectboard
Town of Plymouth
Plymouth, Vermont

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Plymouth, 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 Plymouth, 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, each major fund and the aggregate remaining fund information of the Town of Plymouth, 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 Plymouth, 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.

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

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 11 and 47 through 50 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 Plymouth, 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. 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 and capital asset schedules 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 May 13, 2025, on our consideration of the Town of Plymouth, 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 Plymouth, 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 Plymouth, Vermont's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
Vermont Registration No. 092.0000967
May 13, 2025

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

(UNAUDITED)

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

Financial Statement Overview

The Town of Plymouth'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, pension schedules 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.

The above-mentioned financial statements have one column for the Town's activity. The type of activity presented for the Town of Plymouth is:

- *Governmental activities* - The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). All of the Town's basic services are reported in governmental activities, which include general government, public safety, public works, community development and unclassified.

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 Plymouth, 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 Plymouth are considered governmental funds.

Governmental funds: All 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 funds financial statement.

The Town of Plymouth 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, renovation

project fund, flood 2023 fund and the highway equipment fund. 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.

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 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.

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, a Schedule of Proportionate Share of the Net Pension Liability, a Schedule of Contributions and Notes to Required Supplementary Information.

Other Supplementary Information

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

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the Town's governmental activities. The Town's total net position for governmental activities decreased by $2,361,822 from $4,339,550 to $1,977,728.

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 governmental activities to a deficit balance of $1,583,116 at the end of this year.

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

	2024	2023 (Restated)
Assets:		
Current Assets	$ 777,524	$ 2,601,946
Noncurrent Assets - Capital Assets	3,141,408	1,987,054
Total Assets	3,918,932	4,589,000
Deferred Outflows of Resources		
Deferred Outflows Related to Pensions	48,713	53,553
Total Deferred Outflows of Resources	48,713	53,553
Liabilities:		
Current Liabilities	681,174	129,064
Noncurrent Liabilities	1,289,981	141,647
Total Liabilities	1,971,155	270,711
Deferred Inflows of Resources:		
Prepaid Taxes	-	340
Deferred Inflows Related to Pensions	15,657	13,853
Deferred Revenue	3,105	18,099
Total Deferred Inflows of Resources	18,762	32,292
Net Position:		
Net Investment in Capital Assets	3,141,408	1,987,054
Restricted	419,436	567,319
Unrestricted (Deficit)	(1,583,116)	1,785,177
Total Net Position	$ 1,977,728	$ 4,339,550

Revenues and Expenses

Revenues for the Town's governmental activities increased by 3.04% with the largest increase in taxes. Expenses increased by 146.05% primarily due to general government and public works related to the flood 2023.

Table 2
Town of Plymouth, Vermont
Changes in Net Position
For the Years Ended June 30,

	2024	2023
Revenues		
Program Revenues:		
Charges for services	$ 57,796	$ 91,069
Operating grants and contributions	98,284	181,216
General Revenues:		
Taxes	1,416,663	1,297,392
Grants and contributions not restricted to specific programs	434,493	344,956
Miscellaneous	117,820	147,805
Total Revenues	2,125,056	2,062,438
Expenses		
General government	2,847,370	824,849
Public safety	170,074	105,310
Public works	1,418,815	584,285
Community development	13,316	12,158
Unclassified	37,303	296,971
Total Expenses	4,486,878	1,823,573
Change in Net Position	(2,361,822)	238,865
Net Position - July 1, As Previously Reported	4,237,572	3,998,707
Net Position Correction	101,978	-
Net Position - July 1, As Restated	4,339,550	3,998,707
Net Position - June 30	$ 1,977,728	$ 4,237,572

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 Plymouth, Vermont
Fund Balances - Governmental Funds
June 30,

	2024	2023 (Restated)	Increase/ (Decrease)
General Fund:			
Nonspendable	$ 1,860	$ -	$ 1,860
Unassigned	850,395	982,298	(131,903)
Total General Fund	$ 852,255	$ 982,298	$ (130,043)
Renovation Project Fund:			
Committed	$ 114,767	$ 716,151	$ (601,384)
Total Equipment Fund	$ 114,767	$ 716,151	$ (601,384)
Flood 2023 Fund:			
Unassigned	$ (1,658,587)	$ -	$ (1,658,587)
Total Equipment Fund	$ (1,658,587)	$ -	$ (1,658,587)
Highway and Building Fund:			
Restricted	$ 216,785	$ 359,746	$ (142,961)
Total Highway and Building Fund	$ 216,785	$ 359,746	$ (142,961)
Nonmajor Funds:			
Special Revenue Funds:			
Assigned	$ 167,863	$ 152,037	$ 15,826
Capital Projects Funds:			
Assigned	148,447	19,860	128,587
Permanent Funds:			
Nonspendable	97,805	97,805	-
Restricted	102,986	91,669	11,317
Total Nonmajor Funds	$ 517,101	$ 361,371	$ 155,730

The changes to total fund balances for the general fund, the renovation project fund, highway equipment fund and the nonmajor funds occurred due to the regular activity of operations.

Budgetary Highlights

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

The general fund actual revenues exceeded budget by $292,495. All revenue categories were receipted in excess of budgeted amounts with the exception of property taxes.

The general fund actual expenditures exceeded budget by $373,688. All expenditure categories were over budgeted amounts with the exception of community development and transfers to other funds.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2024, the net book value of capital assets recorded by the Town increased by $1,154,354 from the prior year. This increase is the result of capital additions of $1,397,096 less depreciation expense of $242,742.

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

	2024	2023 (Restated)
Land and non-depreciable assets	$ 1,588,232	$ 386,848
Buildings, building and land improvements	805,368	939,859
Fixtures, equipment and vehicles	724,614	635,369
Infrastructure	23,194	24,978
Total	$ 3,141,408	$ 1,987,054

Debt

At June 30, 2024, the Town had $1,174,000 in a bond outstanding versus $0 last year. Refer to Note 6 of Notes to Financial Statements for more detailed information.

Currently Known Facts, Decisions or Conditions

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.

Economic Factors and Next Year's Budgets and Rates

The Town has maintained a sufficient unassigned fund balance to sustain government operations for a period of approximately five months, while also maintaining reserve accounts for future operational, capital and program needs.

Contacting the Town's Financial Management

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 Town Office at 68 Town Office Road, Plymouth, Vermont 05056.

STATEMENT A

TOWN OF PLYMOUTH, VERMONT

STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	$ 392,513
Investments	76,938
Accounts receivable (net of allowance for uncollectibles):	
Delinquent taxes receivable	106,213
Other	200,000
Prepaid items	1,860
Total current assets	777,524
Noncurrent assets:	
Capital assets:	
Land and other assets not being depreciated	1,588,232
Buildings and equipment, net of accumulated depreciation	1,553,176
Total noncurrent assets	3,141,408
DEFERRED OUTFLOW OF RESOURCES	
Deferred outflows related to pensions	48,713
TOTAL DEFERRED OUTFLOWS OF RESOURCES	48,713
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 3,967,645
LIABILITIES	
Current liabilities:	
Accounts payable	$ 148,502
Accrued expenses	118
Assigned revenue	500,000
Current portion of long-term obligations	32,554
Total current liabilities	681,174
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Bonds payable	1,142,000
Accrued compensated absences	10,530
Net pension liability	137,451
Total noncurrent liabilities	1,289,981
TOTAL LIABILITIES	1,971,155
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	15,657
Deferred revenue	3,105
TOTAL DEFERRED INFLOWS OF RESOURCES	18,762
NET POSITION	
Net investment in capital assets	3,141,408
Restricted	419,436
Unrestricted (deficit)	(1,583,116)
TOTAL NET POSITION	1,977,728
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 3,967,645

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

STATEMENT B

TOWN OF PLYMOUTH, 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	Total Governmental Activities
Governmental activities:					
General government	$ 2,847,370	$ 57,301	$ 14,994	$ -	$ (2,775,075)
Public safety	170,074	-	-	-	(170,074)
Public works	1,418,815	495	78,747	-	(1,339,573)
Community development	13,316	-	-	-	(13,316)
Unclassified	37,303	-	4,543	-	(32,760)
Total government	$ 4,486,878	$ 57,796	$ 98,284	$ -	(4,330,798)

TOWN OF PLYMOUTH, VERMONT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Governmental Activities
Changes in net position:	
Net (expense) revenue	(4,330,798)
General revenues:	
Taxes:	
Property taxes, levied for general purposes	1,416,663
Grants and contributions not restricted to specific programs	434,493
Miscellaneous	117,820
Total general revenues	1,968,976
Change in net position	(2,361,822)
NET POSITION - JULY 1, AS PREVIOUSLY REPORTED	4,237,572
NET POSITION CORRECTION	101,978
NET POSITION - JULY 1, AS RESTATED	4,339,550
NET POSITION - JUNE 30	$ 1,977,728

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

STATEMENT C

TOWN OF PLYMOUTH, VERMONT

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	*Moved from Nonmajor Fund* Renovation Project	Flood 2023	Highway Equipment Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 268,673	$ -	$ -	$ -	$ 123,840	$ 392,513
Investments	-	-	-	-	76,938	76,938
Accounts receivable (net of allowance for uncollectibles):						
Delinquent taxes receivable	106,213	-	-	-	-	106,213
Other	200,000	-	-	-	-	200,000
Prepaid items	1,860	-	-	-	-	1,860
Due from other funds	1,658,587	140,113	-	307,001	319,428	2,425,129
TOTAL ASSETS	$ 2,235,333	$ 140,113	$ -	$ 307,001	$ 520,206	$ 3,202,653
LIABILITIES						
Accounts payable	$ 32,940	$ 25,346	$ -	90,216	$ -	$ 148,502
Accrued expenses	118	-	-	-	-	118
Short-term note payable	500,000	-	-	-	-	500,000
Due to other funds	766,542	-	1,658,587	-	-	2,425,129
TOTAL LIABILITIES	1,299,600	25,346	1,658,587	90,216	-	3,073,749
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue	-	-	-	-	3,105	3,105
Deferred property tax	83,478	-	-	-	-	83,478
TOTAL DEFERRED INFLOWS OF RESOURCES	83,478	-	-	-	3,105	86,583
FUND BALANCES						
Nonspendable	1,860	-	-	-	97,805	99,665
Restricted	-	-	-	216,785	102,986	319,771
Committed	-	114,767	-	-	-	114,767
Assigned	-	-	-	-	316,310	316,310
Unassigned (deficit)	850,395	-	(1,658,587)	-	-	(808,192)
TOTAL FUND BALANCES	852,255	114,767	(1,658,587)	216,785	517,101	42,321
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 2,235,333	$ 140,113	$ -	$ 307,001	$ 520,206	$ 3,202,653

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

STATEMENT D

TOWN OF PLYMOUTH, VERMONT

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

	Total Governmental Funds
Total Fund Balances	$ 42,321
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	3,141,408
Deferred outflows of resources related to pensions are not financial resources and therefore are not reported in the funds	48,713
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	83,478
Long-term obligations are not due and payable in the current period and therefore are not reported in the funds:	
Bond payable	(1,174,000)
Accrued compensated absences	(11,084)
Net pension liability	(137,451)
Deferred inflows of resources related to pensions are not financial resources and therefore are not reported in the funds	(15,657)
Net position of governmental activities	$ 1,977,728

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

TOWN OF PLYMOUTH, VERMONT

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

	General Fund	*Moved from Nonmajor Fund* Renovation Project	Flood 2023	Highway Equipment Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	$ 1,374,116	$ -	$ -	$ -	$ -	$ 1,374,116
Intergovernmental	459,392	-	51,507	-	21,878	532,777
Charges for services	57,796	-	-	-	-	57,796
Interest income	42,530	-	-	-	4,317	46,847
Miscellaneous	54,027	-	-	-	16,946	70,973
TOTAL REVENUES	1,987,861	-	51,507	-	43,141	2,082,509
EXPENDITURES						
Current:						
General government	814,391	-	-	-	23,903	838,294
Public safety	148,530	-	-	-	-	148,530
Public works	865,892	-	-	272,961	-	1,138,853
Community development	13,316	-	-	-	-	13,316
Unclassified	-	28,020	-	-	9,283	37,303
Capital outlay	-	1,173,364	2,084,094	-	-	3,257,458
TOTAL EXPENDITURES	1,842,129	1,201,384	2,084,094	272,961	33,186	5,433,754
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	145,732	(1,201,384)	(2,032,587)	(272,961)	9,955	(3,351,245)
OTHER FINANCING SOURCES (USES)						
Bond proceeds	-	600,000	374,000	-	-	974,000
Transfers in	3,225	-	-	130,000	149,000	282,225
Transfers (out)	(279,000)	-	-	-	(3,225)	(282,225)
TOTAL OTHER FINANCING SOURCES (USES)	(275,775)	600,000	374,000	130,000	145,775	974,000
NET CHANGE IN FUND BALANCES	(130,043)	(601,384)	(1,658,587)	(142,961)	155,730	(2,377,245)
FUND BALANCES - JULY 1, AS PREVIOUSLY REPORTED	982,298	-	-	359,746	1,089,902	2,431,946
FUND BALANCE CORRECTION	-	-	-	-	(12,380)	(12,380)
CHANGE WITHIN REPORTING ENTITY	-	716,151	-	-	(716,151)	-
	-	716,151	-	-	(728,531)	(12,380)
FUND BALANCES - JULY 1, AS RESTATED	982,298	716,151	-	359,746	361,371	2,419,566
FUND BALANCES - JUNE 30	$ 852,255	$ 114,767	$ (1,658,587)	$ 216,785	$ 517,101	$ 42,321

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

TOWN OF PLYMOUTH, 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)	$ (2,377,245)
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 to be allocated to those expenditures over the life of the assets:	
Capital asset acquisitions	1,397,096
Depreciation expense	(242,742)
	1,154,354
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	(4,840)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position	(1,174,000)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
Taxes and liens receivable	42,547
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	(1,804)
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:	
Accrued compensated absences	(4,377)
Net pension liability	3,543
	(834)
Change in net position of governmental activities (Statement B)	$ (2,361,822)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Plymouth was incorporated under the laws of the State of Vermont. The Town is governed by a selectboard and provides the following services: general government, public safety, public works, community development 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 do not include all accounts and all operations of the Town. We have determined that the Town has component units, such as the town school Town, 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 the impact of this Statement is not material to the financial statements.

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 governmental.

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column and (b) 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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 (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. 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:

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:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 Renovation Project fund is used to account for the financial resources to be used for renovation projects located in the Town. The major source of revenue is transfers from the general fund.

c. The Flood 2023 fund is used to account for the financial resources to be used for flooding damage in the Town. The major source of revenue for this fund is intergovernmental.

d. The Highway Equipment Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment. The primary source of revenue is transfers from the general fund.

Nonmajor Funds

c. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

d. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.

e. Permanent Funds are used to account for assets held by the Town that are legally restricted and unless otherwise specified, only earnings and not principal, may be used for purposes that benefit the Town or its citizenry. The Town's policy for authorizing and spending investment income follows State statutes.

The emphasis in fund financial statements is on the major funds in the governmental activities category. 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 fiduciary 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.

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. Early 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 meeting of the inhabitants 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. 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

The Town of Plymouth, Vermont has a formal investment policy and also follows the State of Vermont Statutes.

Receivables

Receivables include amounts due from governmental agencies and local businesses. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible amounts is estimated to be $0 as of June 30, 2024. Accounts receivable netted with allowances for uncollectible accounts were $200,000 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".

Transactions Between Funds

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 has not retroactively recorded infrastructure.

Estimated useful lives are as follows:

Buildings and improvements	20 - 50 years
Infrastructure	50 - 100 years
Machinery and equipment	3 - 50 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, accrued compensated absences 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. The authority for assigning fund balance is given annually by vote of the taxpayers and is given through the Charter and is expressed by the Selectboard.

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.

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 currently has 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. Deferred revenue also qualifies for reporting in this category. This item is reported in both the

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

statements of net position and governmental funds balance sheet. Deferred inflows related to pensions qualify 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 on April 12, 2023 on the assessed value listed as of April 1, annually, for all real property located in the Town. Taxes were due in two installments on September 1, 2023 and February 1, 2024. Interest accrues at 1% per month until 3 months following the final payment at which point 1½% per month for each month thereafter. An 8% penalty fee is added to the entire unpaid principal tax balance after February 1, 2024.

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).

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The Town does not utilize encumbrance accounting for its general fund.

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 reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

State statutes require that all investments made by the Town consider the safe and sound investment of principal and preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. 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. The Town does have a policy covering custodial credit risk for deposits. The Town maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Vermont Revised Statutes.

At June 30, 2024, the Town's cash and cash equivalents balances amounting to $392,513 were comprised of deposits of $584,922. Bank deposits and cash equivalents are adjusted primarily by outstanding checks and deposits in transit to reconcile to the Town's cash and cash equivalents balance. Of these deposits, $250,000 was fully insured by federal depository insurance and consequently was not exposed to custodial credit risk and $334,922 was collateralized with securities held by the financial institution but not in the Town's name.

Account Type	Bank Balance
Checking accounts	$ 584,922

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 have a policy for custodial credit risk for investments. The Town seeks to minimize custodial credit risk by doing business with authorized institutions, depositories and brokers/dealers.

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does have a formal investment policy that mitigates interest rate risk by limiting 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 $76,938 are excluded from interest rate risk as these investments are considered held to maturity and are therefore not measured at fair value.

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

The Town's investments in certificates of deposit in the amount of $76,938 were fully insured by federal depository insurance and consequently were 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 have an investment policy on credit risk. The Town mitigates this risk by limiting investments to authorized types of securities, using qualified financial institutions authorized by the finance committee and diversifying the investment portfolio to meet the Town's current and future cash flow needs. Generally, the Town invests excess funds in cash management accounts and various insured 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)
Major funds:		
General fund	$ 1,658,587	$ 766,542
Renovation fund	140,113	
Flood 2023 fund	-	1,658,587
Highway equipment fund	307,001	-
Nonmajor funds:		
Special revenue funds	170,968	-
Capital projects funds	148,447	-
Permanent funds	13	-
	$ 2,425,129	$ 2,425,129

The result of amounts owed between funds are 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.

NOTE 4 - INTERFUND TRANSFERS

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

	Transfers From	Transfers To
Major funds:		
General fund	$ 279,000	$ 3,225
Highway and building fund	-	130,000
Nonmajor funds:		
Special revenue funds	-	10,000
Capital projects funds	3,225	125,000
Permanent funds	-	14,000
	$ 282,225	$ 282,225

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 (Restated)	Additions	Disposals	Balance, 6/30/24
Non-depreciated assets:				
Land	$ 153,000	$ -	$ -	$ 153,000
Construction in progress	233,848	1,201,384	-	1,435,232
	386,848	1,201,384	-	1,588,232
Depreciated assets:				
Buildings and improvements	2,632,688	-	-	2,632,688
Equipment	590,818	21,544	-	612,362
Vehicles	589,944	174,168	-	764,112
Infrastructure	26,762	-	-	26,762
	3,840,212	195,712	-	4,035,924
Less accumulated depreciation:	(2,240,006)	(242,742)	-	(2,482,748)
Net depreciated assets	1,600,206	(47,030)	-	1,553,176
Net capital assets	$ 1,987,054	$ 1,154,354	$ -	$ 3,141,408

Current year depreciation:	
General government	$ 136,948
Public works	105,794
Total depreciation expense	$ 242,742

NOTE 6 - SHORT-TERM DEBT

On May 9, 2024, the Town signed a current expense note to provide liquidity for unbudgeted and unforeseen operating expenses caused by the flooding. The line of credit allows principal draws up to $1,000,000 at a variable interest rate. As of June 30, 2024, $500,000 had been drawn down. Interest paid on the note was $7,749.

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

	Balance, 7/1/23	Additions	Deletions	Balance, 6/30/24
Current Expense Note	$ -	$ 500,000	$ -	$ 500,000

NOTE 7 - LONG-TERM DEBT

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

	Balance, 7/1/23	Additions	Deletions	Balance, 6/30/24	Current Portion
Bonds payable	$ -	$ 1,174,000	$ -	$ 1,174,000	$ 32,000

The following is a summary of the outstanding bonds payable as of June 30, 2024:

Bonds Payable

$800,000 General Obligation Bond. Annual principal payments of $32,000 starting in November 2024. Interest is charge semi-annually at a fixed rate of 3.979%. The bond matures in November of 2048.	$ 800,000
$374,000 General Obligation Bond. Annual principal payments range from $32,909 to $35,112 with a fixed interest rate of 1.3% per annum. The bond matures in March of 2031.	374,000
Total Bonds Payable	$ 1,174,000

The following is a summary of outstanding bonds payable principal and interest requirements for the next five fiscal years ending June 30 and in five-year increments thereafter:

NOTE 7 - LONG-TERM DEBT (CONTINUED)

	Bonds Payable		
	Principal	Interest	Total
2025	$ 32,000	$ 35,706	$ 67,706
2026	64,909	34,784	99,693
2027	65,123	32,868	97,991
2028	65,339	30,728	96,067
2029	65,555	28,576	94,131
2030-2034	331,077	211,080	542,157
2035-2039	229,997	79,580	309,577
2040-2044	160,000	47,748	207,748
2045-2049	160,000	15,916	175,916
	$ 1,174,000	$ 516,986	$ 1,690,986

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 located within the Town.

NOTE 8 - OTHER LONG-TERM OBLIGATIONS

The following is a summary of the 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
Accrued compensated absences	6,707	4,377	-	11,084	554
Net pension liability	140,994	16,115	(19,658)	137,451	-
Totals	$ 147,701	$ 20,492	$ (19,658)	$ 148,535	$ 554

Please see Notes 9 and 16 for detailed information on each of the other long-term obligations.

NOTE 9 - ACCRUED COMPENSATED ABSENCES

The Town's policies regarding vacation and sick time permits employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as a long-term obligation in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2024, the Town's liability for compensated absences is $11,084.

NOTE 10 - NET INVESTMENT IN CAPITAL ASSETS

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

Invested in capital assets	$ 5,624,156
Accumulated depreciation	(2,482,748)
	$ 3,141,408

NOTE 11 - RESTRICTED NET POSITION

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

General Fund	$ 1,860
Highway and building fund	216,785
Nonmajor permanent funds (Schedule I):	
Public funds - nonspendable principal	97,805
Cemetery fund	53,817
Public funds	49,169
	$ 419,436

NOTE 12 - NONSPENDABLE FUND BALANCE

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

General fund:	
Prepaid items	$ 1,860
Nonmajor permanent funds (Schedule I)	97,805
	$ 99,665

NOTE 13 - RESTRICTED FUND BALANCES

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

Highway and building fund	$ 216,785
Nonmajor permanent funds (Schedule I)	102,986
	$ 319,771

NOTE 14 - COMMITTED FUND BALANCE

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

Renovation project fund:	$ 114,767
	$ 114,767

NOTE 15 - ASSIGNED FUND BALANCES

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

Nonmajor special revenue funds (Schedule E)	$ 167,863
Nonmajor capital projects funds (Schedule G)	148,447
	$ 316,310

NOTE 16 - 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.

NOTE 16 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 Comprehensive Annual 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).

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:

NOTE 16 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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
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

NOTE 16 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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, 2023 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 $17,838. The Town contributed $19,658 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 $291,234.

Pension Liabilities

At June 30, 2024, the Town reported a liability of $137,451 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 0.04291% for VMERS, which was a decrease of 0.00357% from its proportion measured as of June 30, 2022 for VMERS.

NOTE 16 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 $3,101 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	$ 8,620	$ -
Changes of assumptions	4,480	-
Net difference between projected and actual earnings on pension plan investments	15,638	-
Changes in proportion and differences between contributions and proportionate share of contributions	317	15,657
Contributions subsequent to the measurement date	19,658	-
Total	$ 48,713	$ 15,657

$19,658 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:

	VMERS
Plan year ended June 30:	
2024	$ 5,495
2025	(935)
2026	9,161
2027	(323)
2028	-
Thereafter	-

NOTE 16 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.

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.

NOTE 16 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.

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

NOTE 16 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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:

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

NOTE 16 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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
VMERS:			
Discount rate	6.00%	7.00%	8.00%
Town's proportionate share of the net pension liability	$ 206,885	$ 137,451	$ 80,379

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 Comprehensive Annual 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 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.

NOTE 18 - 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. 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 three insurance trusts; the Property and Casualty Intermunicipal Fund, Inc. (PACIF) for multi-line insurance; the Vermont League of Cities and Towns Health Trust (VLCTHT) for health, life and disability coverage and the Vermont League of Cities and Towns Unemployment Trust, Inc. (VLCTUT) for unemployment compensation. PACIF, VLCTHT and VLCTUT are nonprofit corporations formed to provide insurance and risk management programs for Vermont cities and towns 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 insurance coverage, VLCTHT has established a self-funded fully insured program in conjunction with Blue Cross and Blue Shield (BCBS). A portion of

NOTE 18 - RISK MANAGEMENT (CONTINUED)

member contributions is used to purchase reinsurance and to fund a reserve required by the reinsurance. Benefits available include dental insurance, flexible spending accounts, life insurance, disability insurance and long-term care insurance. Contributions in excess of claims requirements, reserve fund requirements, reinsurance and administrative costs are returned to participants. The pooling agreement does not permit the pool to make additional assessments to its members.

To provide unemployment coverage, VLCTUT has established a separate trust of funds from member contributions to pay administrative costs, unemployment claims and provides excess reinsurance protection. Contributions are based on payroll expense and the previous two-year unemployment compensation experience. In the event that total contributions assessed to and made by all members result in an actual or projected financial deficit and VLCTUT is unable to meet its required obligations, the Program will be terminated with each member assessed their proportionate share of the deficit.

NOTE 19 - RELATED PARTIES

The Town contracts with two vendors that are related to the road foreman, A.B.L.E. Waste Management and Mike Lynds Excavation. For the year ended June 30, 2024, the Town paid A.B.L.E. Waste Management $98,516 and Mike Lynds Excavation was paid $227,975.

NOTE 20 - SUBSEQUENT EVENT

The Town has entered into an approved contract of $68,000 to the Sheriff's Department at year end June 30, 2024, for fiscal year 2025.

NOTE 21 - RESTATEMENT

During the fiscal year 2024, the Town determined that a change within the financial reporting entity to reclassify the Renovation fund from being presented as a nonmajor fund to being presented as a major fund was required. Additionally, fund balance corrections were required to show the previously received ARPA funds as deferred revenue rather than fund balance due to the nature of the grant agreement. The fund balance corrections impacted the beginning net position for the governmental activities. Certain other corrections related to capital assets were required which impacted governmental activities. These changes within the financial reporting entity and fund balance corrections resulted in adjustments to and restatements of net position and fund balance as follows:

NOTE 21 - RESTATEMENT (CONTINUED)

	6/30/23 As Previously Reported	Change from Major to Nonmajor Fund	Fund Balance Correction	Net Position Correction	6/30/23 As Restated
Government-Wide					
Governmental Activities	$ 4,237,572	$ -	$ -	$ 101,978	$4,339,550
Governmental Funds					
Major Funds:					
General Fund	$ 982,298	$ -	$ -	$ -	$ 982,298
Renovation Fund	-	716,151	-	-	716,151
Highway Equipment Fund	359,746	-	-	-	359,746
Other Governmental Funds	1,089,902	(716,151)	(12,380)	-	361,371
Total Governmental Funds	$ 2,431,946	$ -	$ (12,380)	$ -	$2,419,566

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
- Notes to Required Supplementary Information

SCHEDULE 1

TOWN OF PLYMOUTH, VERMONT

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

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 982,298	$ 982,298	$ 982,298	$ -
Resources (Inflows):				
Property taxes	1,390,741	1,390,741	1,374,116	(16,625)
Intergovernmental	258,000	258,000	459,392	201,392
Permits and licenses	44,650	44,650	57,796	13,146
Interest income	1,200	1,200	42,530	41,330
Other revenue	4,000	4,000	54,027	50,027
Transfers from other funds	-	-	3,225	3,225
Amounts Available for Appropriation	2,680,889	2,680,889	2,973,384	292,495
Charges to Appropriations (Outflows):				
General government	627,525	627,525	814,391	(186,866)
Public safety	143,000	143,000	148,530	(5,530)
Public works	639,600	639,600	865,892	(226,292)
Community development	13,316	13,316	13,316	-
Transfers to other funds	324,000	324,000	279,000	45,000
Total Charges to Appropriations	1,747,441	1,747,441	2,121,129	(373,688)
Budgetary Fund Balance, June 30	$ 933,448	$ 933,448	$ 852,255	$ (81,193)
Utilization of unassigned fund balance	$ 48,850	$ 48,850	$ -	$ (48,850)

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

SCHEDULE 2

TOWN OF PLYMOUTH, VERMONT

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

VMERS:	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.04%	0.05%	0.06%	0.06%	0.05%	0.06%	0.06%	0.07%	0.07%	0.07%
Proportionate share of the net pension liability	$ 137,451	$ 140,994	$ 81,548	$ 140,423	$ 94,261	$ 81,080	$ 71,321	$ 88,764	$ 57,468	$ 6,652
Covered payroll	$ 188,185	$ 160,367	$ 205,311	$ 200,072	$ 185,578	$ 183,550	$ 174,793	$ 189,455	$ 170,945	$ 175,018
Proportionate share of the net pension liability as a percentage of its covered payroll	73.04%	87.92%	39.72%	70.19%	50.79%	44.17%	40.80%	46.85%	33.62%	3.80%
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.

SCHEDULE 3

TOWN OF PLYMOUTH, VERMONT

SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS

VMERS:	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 19,658	$ 12,232	$ 10,023	$ 12,319	$ 11,504	$ 10,439	$ 10,095	$ 9,614	$ 10,420	$ 9,402
Contributions in relation to the contractually required contribution	(19,658)	(12,232)	(10,023)	(12,319)	(11,504)	(10,439)	(10,095)	(9,614)	(10,420)	(9,402)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 291,234	$ 188,185	$ 160,367	$ 205,311	$ 200,072	$ 185,578	$ 183,550	$ 174,793	$ 189,455	$ 170,945
Contributions as a percentage of covered payroll	6.75%	6.50%	6.25%	6.00%	5.75%	5.63%	5.50%	5.50%	5.50%	5.50%

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

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.

Other Supplementary Information

Other supplementary information includes financial statements 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
- Combining Balance Sheet - Nonmajor Permanent Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Permanent Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

SCHEDULE A

TOWN OF PLYMOUTH, VERMONT

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

	Original Budget	Final Budget	Actual Amounts	Variance Positive (Negative)
Resources (Inflows):				
Property taxes:				
Current real property taxes	$ 1,388,741	1,388,741	$ 1,355,916	$ (32,825)
Penalties and interest	2,000	2,000	18,200	16,200
Intergovernmental revenues:				
State aid to highways	85,000	85,000	78,747	(6,253)
State pilot program	130,000	130,000	120,229	(9,771)
Other intergovernmental revenue	43,000	43,000	260,416	217,416
Permits and licenses:				
Dog licenses	200	200	178	(22)
Liquor licenses	250	250	300	50
Marriage licenses	-	-	150	150
Clerk fees	25,000	25,000	15,153	(9,847)
Debt collector fees	4,000	4,000	26,867	22,867
ZBA fees	5,000	5,000	5,054	54
Local fines	10,000	10,000	9,599	(401)
Charges for services:				
Public works	200	200	495	295
Investment income	1,200	1,200	42,530	41,330
Other income:				
Other income	4,000	4,000	54,027	50,027
Transfers from other funds	-	-	3,225	3,225
Amounts Available for Appropriation	$ 1,698,591	$ 1,698,591	$ 1,991,086	$ 292,495

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

SCHEDULE B

TOWN OF PLYMOUTH, VERMONT

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

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
General government:					
Administration	$ 323,850	$ -	$ 323,850	$ 383,764	$ (59,914)
Town clerk/treasurer	55,000	-	55,000	112,318	(57,318)
Assistant town clerk	25,000	-	25,000	9,662	15,338
Auditors	9,500	-	9,500	9,830	(330)
Selectmen	1,800	-	1,800	1,800	-
Listers	39,900	-	39,900	42,843	(2,943)
Municipal building	70,475	-	70,475	82,301	(11,826)
Office expenses	99,000	-	99,000	129,258	(30,258)
Other	3,000	-	3,000	42,615	(39,615)
Totals	627,525	-	627,525	814,391	(186,866)
Public safety:					
Law enforcement	67,500	-	67,500	64,227	3,273
Ambulance	41,500	-	41,500	45,093	(3,593)
Fire	34,000	-	34,000	39,210	(5,210)
Totals	143,000	-	143,000	148,530	(5,530)
Public works:					
Garage operations	82,600	-	82,600	121,844	(39,244)
Summer maintenance	282,000	-	282,000	216,351	65,649
Winter maintenance	85,000	-	85,000	96,331	(11,331)
Winter sand	145,000	-	145,000	182,241	(37,241)
Bridges	45,000	-	45,000	249,125	(204,125)
Totals	639,600	-	639,600	865,892	(226,292)
Community development:					
Appropriations	13,316	-	13,316	13,316	-
Totals	13,316	-	13,316	13,316	-
Transfers to other funds	324,000	-	324,000	279,000	45,000
TOTAL DEPARTMENTAL OPERATIONS	$ 1,747,441	$ -	$ 1,747,441	$ 2,121,129	$ (373,688)

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

SCHEDULE C

TOWN OF PLYMOUTH, VERMONT

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	$ -	$ -	$ 123,840	$ 123,840
Investments	-	-	76,938	76,938
Due from other funds	170,968	148,447	13	319,428
TOTAL ASSETS	$ 170,968	$ 148,447	$ 200,791	$ 520,206
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ -
TOTAL LIABILITIES	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	3,105	-	-	3,105
TOTAL DEFERRED INFLOWS OF RESOURCES	3,105	-	-	3,105
FUND BALANCES				
Nonspendable	-	-	97,805	97,805
Restricted	-	-	102,986	102,986
Committed	-	-	-	-
Assigned	167,863	148,447	-	316,310
Unassigned	-	-	-	-
TOTAL FUND BALANCES	167,863	148,447	200,791	517,101
TOTAL LIABILITIES AND FUND BALANCES	$ 170,968	$ 148,447	$ 200,791	$ 520,206

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

SCHEDULE D

TOWN OF PLYMOUTH, 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	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES				
Intergovernmental	$ 14,994	$ 6,884	$ -	$ 21,878
Interest income	4	-	4,313	4,317
Other income	14,731	-	2,215	16,946
TOTAL REVENUES	29,729	6,884	6,528	43,141
EXPENDITURES				
General government	23,903	-	-	23,903
Other	-	72	9,211	9,283
TOTAL EXPENDITURES	23,903	72	9,211	33,186
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5,826	6,812	(2,683)	9,955
OTHER FINANCING SOURCES (USES)				
Transfers in	10,000	125,000	14,000	149,000
Transfers (out)	-	(3,225)	-	(3,225)
TOTAL OTHER FINANCING SOURCES (USES)	10,000	121,775	14,000	145,775
NET CHANGE IN FUND BALANCES	15,826	128,587	11,317	155,730
FUND BALANCES - JULY 1, AS PREVIOUSLY REPORTED	886,287	19,860	183,755	1,089,902
FUND BALANCE CORRECTION	(18,099)	-	5,719	(12,380)
CHANGE WITHIN REPORTING ENTITY	(716,151)	-	-	(716,151)
	(734,250)	-	5,719	(728,531)
FUND BALANCES - JULY 1, AS RESTATED	152,037	19,860	189,474	361,371
FUND BALANCES - JUNE 30	$ 167,863	$ 148,447	$ 200,791	$ 517,101

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.

SCHEDULE E

TOWN OF PLYMOUTH, VERMONT

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

	Office Equipment	Reappraisal	Record Restoration	ARPA Grant	*Moved to Major Fund* Renovation Project	Total
ASSETS						
Due from other funds	$ 36,272	$ 109,397	$ 22,194	$ 3,105	$ -	$ 170,968
TOTAL ASSETS	$ 36,272	$ 109,397	$ 22,194	$ 3,105	$ -	$ 170,968
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL LIABILITIES	-	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue	-	-	-	3,105	-	3,105
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	3,105	-	3,105
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	36,272	109,397	22,194	-	-	167,863
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	36,272	109,397	22,194	-	-	167,863
TOTAL LIABILITIES, DEFERRED INFLOWS OF OF RESOURCES AND FUND BALANCES	$ 36,272	$ 109,397	$ 22,194	$ 3,105	$ -	$ 170,968

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

SCHEDULE F

TOWN OF PLYMOUTH, VERMONT

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

	Office Equipment	Reappraisal	Record Restoration	ARPA Grant	*Moved to Major Fund* Renovation Project	Total
REVENUES						
Intergovernmental	$ -	$ -	$ -	14,994	$ -	$ 14,994
Interest income	-	4	-	-	-	4
Other income	3,446	10,489	796	-	-	14,731
TOTAL REVENUES	3,446	10,493	796	14,994	-	29,729
EXPENDITURES						
Other	8,909	-	-	14,994	-	23,903
TOTAL EXPENDITURES	8,909	-	-	14,994	-	23,903
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(5,463)	10,493	796	-	-	5,826
OTHER FINANCING SOURCES (USES)						
Transfers in	-	10,000	-	-	-	10,000
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	10,000	-	-	-	10,000
NET CHANGE IN FUND BALANCES	(5,463)	20,493	796	-	-	15,826
FUND BALANCES - JULY 1, AS PREVIOUSLY PRESENTED	41,735	88,904	21,398	18,099	716,151	886,287
FUND BALANCE CORRECTION	-	-	-	(18,099)	-	(18,099)
CHANGE WITHIN REPORTING ENTITY	-	-	-	-	(716,151)	(716,151)
	-	-	-	(18,099)	(716,151)	(734,250)
FUND BALANCES - JULY 1, AS RESTATED	41,735	88,904	21,398	-	-	152,037
FUND BALANCES - JUNE 30	$ 36,272	$ 109,397	$ 22,194	$ -	$ -	$ 167,863

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.

SCHEDULE G

TOWN OF PLYMOUTH, VERMONT

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

	Fire Truck Reserve	Building Maintenance	Bridge Fund	Total
ASSETS				
Due from other funds	$ 100,000	$ 41,563	$ 6,884	$ 148,447
TOTAL ASSETS	$ 100,000	$ 41,563	$ 6,884	$ 148,447
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ -
TOTAL LIABILITIES	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	100,000	41,563	6,884	148,447
Unassigned	-	-	-	-
TOTAL FUND BALANCES	100,000	41,563	6,884	148,447
TOTAL LIABILITIES AND FUND BALANCES	$ 100,000	$ 41,563	$ 6,884	$ 148,447

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

SCHEDULE H

TOWN OF PLYMOUTH, VERMONT

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

	Fire Truck Reserve	Building Maintenance	Bridge Fund	Total
REVENUES				
Intergovernmental	$ -	$ -	6,884	$ 6,884
TOTAL REVENUES	-	-	6,884	6,884
EXPENDITURES				
Other	-	72	-	72
EXPENDITURES	-	72	-	72
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(72)	6,884	6,812
OTHER FINANCING SOURCES (USES)				
Transfers in	100,000	25,000	-	125,000
Transfers (out)	-	-	(3,225)	(3,225)
TOTAL OTHER FINANCING SOURCES (USES)	100,000	25,000	(3,225)	121,775
NET CHANGE IN FUND BALANCES	100,000	24,928	3,659	128,587
FUND BALANCES - JULY 1	-	16,635	3,225	19,860
FUND BALANCES - JUNE 30	$ 100,000	$ 41,563	$ 6,884	$ 148,447

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

Permanent Funds

Permanent funds are used to account for assets held by the Town of Plymouth, Vermont that are legally restricted and unless otherwise specified, only earnings and not principal, may be used for purposes that benefit the Town or its citizenry. These funds have been established for various purposes including scholarships and the provision and/or maintenance of cemeteries.

SCHEDULE I

TOWN OF PLYMOUTH, VERMONT

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS
JUNE 30, 2024

	Cemetery	Public Funds	Total
ASSETS			
Cash and cash equivalents	$ 31,311	$ 92,529	$ 123,840
Investments	22,493	54,445	76,938
Due from other funds	13	-	13
TOTAL ASSETS	$ 53,817	$ 146,974	$ 200,791
LIABILITIES			
Due to others funds	$ -	$ -	$ -
TOTAL LIABILITIES	-	-	-
FUND BALANCES			
Nonspendable	-	97,805	97,805
Restricted	53,817	49,169	102,986
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCES	53,817	146,974	200,791
TOTAL LIABILITIES AND FUND BALANCES	$ 53,817	$ 146,974	$ 200,791

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

SCHEDULE J

TOWN OF PLYMOUTH, VERMONT

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

	Cemetery	Public Funds	Total
REVENUES			
Interest income	$ 23	$ 4,290	$ 4,313
Other income	2,215	-	2,215
TOTAL REVENUES	2,238	4,290	6,528
EXPENDITURES			
Other	9,211	-	9,211
TOTAL EXPENDITURES	9,211	-	9,211
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6,973)	4,290	(2,683)
OTHER FINANCING SOURCES (USES)			
Transfers in	14,000	-	14,000
Transfers (out)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	14,000	-	14,000
NET CHANGE IN FUND BALANCES	7,027	4,290	11,317
FUND BALANCES - JULY 1, AS PREVIOUSLY REPORTED	46,790	136,965	183,755
FUND BALANCE CORRECTION	-	5,719	5,719
FUND BALANCES - JULY 1, AS RESTATED	46,790	142,684	189,474
FUND BALANCES - JUNE 30	$ 53,817	$ 146,974	$ 200,791

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.

SCHEDULE K

TOWN OF PLYMOUTH, VERMONT

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION
JUNE 30, 2024

	Land and Non-depreciable Assets	Buildings, Building and Land Improvements	Fixtures, Equipment and Vehicles	Infrastructure	Total
General government	$ 1,588,232	$ 2,632,688	$ 27,209	$ -	$ 4,248,129
Public safety	-	-	230,144	-	230,144
Public works	-	-	1,119,121	26,762	1,145,883
Total General Capital Assets	1,588,232	2,632,688	1,376,474	26,762	5,624,156
Less: Accumulated Depreciation	-	(1,827,320)	(651,860)	(3,568)	(2,482,748)
Net General Capital Assets	$ 1,588,232	$ 805,368	$ 724,614	$ 23,194	$ 3,141,408

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

SCHEDULE L

TOWN OF PLYMOUTH, VERMONT

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

	General Capital Assets 7/1/23 (Restated)	Additions	Deletions	General Capital Assets 6/30/24
General government	$ 3,046,745	$ 1,201,384	$ -	$ 4,248,129
Public safety	208,600	21,544	-	230,144
Public works	971,715	174,168	-	1,145,883
Total General Capital Assets	4,227,060	1,397,096	-	5,624,156
Less: Accumulated Depreciation	(2,240,006)	(242,742)	-	(2,482,748)
Net General Capital Assets	$ 1,987,054	$ 1,154,354	$ -	$ 3,141,408

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

RHR SMITH & COMPANY
Certified Public Accountants
Proven Expertise & Integrity

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 Plymouth
Plymouth, Vermont

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Plymouth, 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 Plymouth, Vermont's basic financial statements and have issued our report thereon dated May 13, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Plymouth, 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 Plymouth, Vermont's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Plymouth, Vermont's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

3 Old Orchard Road, Buxton, Maine 04093
Tel: (800) 300-7708 (207) 929-4606 Fax: (207) 929-4609
www.rhrsmith.com

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 may exist that have not been identified.

Report on Compliance and Other Matters

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

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain other matters that we reported to management of the Town of Plymouth, Vermont in a separate letter dated May 13, 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. 092.0000967
May 13, 2025