

Village of Barton

Vermont

Annual Report

For the year Ending, December 31, 2016

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GENERAL INFORMATION

Trustees' Meetings	Second & Fourth Monday Evenings 6:00 P.M.	
Barton Village Office	(802) 525-4747	Fax (802) 525-4707
Barton Village Water Plant	(802) 525-6549	
Barton Village Waste Water Plant	(802) 525-3219	
Barton Village Fire Dept	Call 911	
Barton Ambulance	Call 911	
Barton Town Clerk	(802) 525-6222	
Barton Public Library	(802) 525-6524	

VILLAGE OFFICERS

		Term Expires
Moderator	Vacant	March 2017
Clerk	Shelia Martin	March 2017
Trustee	Nathan Sicard	March 2017
Trustee	Justin "Tin" Barton-Caplin	March 2018
Trustee	Cathy Swain	March 2019
Treasurer	Shelia Martin	March 2017
Collector of Taxes	Shelia Martin	March 2017
Chief Engineer	Kevin Tartaglio	March 2017
First Assistant Chief	John Nolan	March 2017
Second Assistant Chief	David Bilado	March 2017

TAX INFORMATION

	Grand List	Village	Water*	Sewer*
2016:	\$415,263	0.8772	0.1289	0.0978
2015:	\$413,597	0.8485	0.0970	0.1018
2014:	\$410,448	0.9700	0.1022	0.0816
2013:		0.8627	0.1077	0.1065
2012:		0.8621	0.0991	0.1113
2011:			0.1241	0.1203
2010:			0.0714	0.1190

*Water and Sewer rate factors in tax and tax exempt user fees with grand list values.

2016 Employee Listing

Employee	Position	Years of Service	Department Allocation							
			2016				New Allocation 2017			
			E	V	W	S	E	V	W	S
Electric Department										
Riordan, Evan	Electric Manager	0.5	100%				100%			
McCormick, Malcolm	Line Foreman	28.4	100%				100%			
Carrier, Christopher	Apprentice Lineman	6.9	100%				100%			
McCoy, Joshua	Apprentice Lineman	4.2	100%				100%			
Molleur, Nickolas	Apprentice Lineman	0.9 *	100%				n/a			
Village/Water/Sewer Department										
Sicard, Andrew	DPW Foreman	9.1	70% 15% 15%				Based on time spent			
Stevens, Luke	Street	14.5	70% 15% 15%				Based on time spent			
Office										
Kran, Katelyn	Lead Accountant/HR	1.3	45%	45%	5%	5%	70%	12%	8%	10%
Nelson, Julie	Office Clerk	10.7	50%		25%	25%	100%			
Crawford, Emily	Office Clerk	1.3	38%	12%	25%	25%	65%	5%	15%	15%
Youland, Sharon	Temp. Accountant	0.5 *	45%	45%	5%	5%	n/a			
Ormiston, David	Finance Coordinator	0.7 *	55%	25%	10%	10%	n/a			
Custodian & Caretaker										
Maceacher, Allan	Custodian	17.5	100%				100%			
Davis, Malcolm	Pageant Park Caretaker	1.6 **	100%							
Fire Department										
Tartaglio, Kevin	Fire Chief									
Powell, Timothy	1st Assistant Chief									
Billado, David	2nd Assistant Chief									
Cote, Ed	Fireman									
Ladieu, Nathan	Fireman	*								
Lucier, Matthew	Fireman	*								
Lucier, Peter	Fireman	*								
Marckres, Timothy	Fireman	*								
Marcy, James	Fireman	*								
Nadeau, Justin-William	Fireman									
Naples, Father Tim	Fireman									
Nolan, John	Fireman	*								
Page, Nathan	Fireman	*								
Bailey, Douglas	Fireman									
Royer, Trevor	Fireman									
Valley, Joey	Fireman	*								
Vezina, Francis	Fireman									
Welton, Sean	Fireman									
Young, Jeffery	Fireman									
Young, Kittie	Secretary to Chief									
Elected Officers										
Barton-Caplin, Justin	Trustee	YR2								
Longe, Ryan	Trustee	(exp. 3/16)								
Sicard, Nathan	Trustee	YR3								
Swain, Cathy	Trustee	YR1								
Martin, Shelia	Treasurer									
Martin, Shelia	Delinquent Tax Collector									
Martin, Shelia	Clerk									

Thank you all
for your years
of service!

Thank you all
for your years
of service!

*no longer with Barton Village

**summer only

2016 Trustees Report

2016 was another busy year for the Village as we continue to focus on financially “righting the ship.” We have hired a lead accountant which has saved considerable outside consultant fee’s for previous accounting practices. We have retooled with NEMRC software used by the majority of municipalities in VT to replacing labor intensive manual procedures and opening up time to work on projects such as grant applications. The Trustees brought in new auditors and the 2015 audit was completed with new comprehensive office and personnel policies adopted by Trustees and implemented by staff. We expect the 2016 audit to begin in early 2017 -- a significant achievement from previous years. Knowing where we are financially allows us to make the most informed and forward-looking decisions for Village residents and tax payers. Department highlights are listed below.

Village Department:

- The Village was able to grind and repave School St. with grant funds from USDA and paving savings; we hope to use remaining grant money for additional paving on West St. in 2017.
- Bridge #20 (Glover St.) and #58 (Roaring Brook Rd.) were successfully bid and are under budget. Construction will begin in early 2017 and should be completed by County Fair time.
- We continued to work on failed drainage systems on Harrison Ave. and Duck Pond Road.
- UVM's Vermont Clean Cities Coalition awarded Barton Village a level-2 single-port electric vehicle charging station (EVSE). The Barton EVSE will be identified on websites and phone applications such as “www.plugshare.com” for electric vehicle owners to easily find the station. The Village’s Service, Quality and Reliability Plan (SQRP) Community Service Requirement the funded materials and labor for installation of the EVSE on the Memorial Building in Barton Village Center. Private citizens Adrien and Ed Helm volunteered to fund operation of the electric charger for three years.

Wastewater Department:

- Bill rate structures went through a significant change in an attempt to stabilize residents’ bills and retain families in the Village.
- A list of properties with roof drains and gutters connected to our sewer system has been developed and we plan to work with property owner to reduce rainwater flows to our wastewater facility, which will save pumping costs.

Water Department:

- Residential rates were adjusted in an attempt to stabilize residents’ bills and retain families in the Village.
- Patching cracks in our water supply dam continued for a second year, and we successfully maintained a stable water level through the summer and fall drought.

Electric Department:

- The most significant change to our electric department was the successful search for a manager. The operation of the department continues to be a work in progress and the Trustees are updated regularly.

Looking forward, we expect that financial changes made in 2016 will help make funds available for priorities such as street paving and beginning to source exploration for our drinking water system. We will continue to evaluate our operations to understand the true cost of running each department. One major adjustment in 2017 will be the allocation of administrative costs in our office. Significant time is spent serving our 2100 electric customers who are mostly outside of the Village. As a result, we have reduced Village Water and Sewer administrative costs which will allow us to fund much needed repairs without the need to raise additional taxes and fees. Finally, we recommend that the Board continue to pursue state and federal grants for any available savings for the residents of Barton Village.

Respectfully,

Nathan Sicard (Chair), Justin "Tin" Barton-Caplin, Cathy Swain

BARTON VILLAGE ANNUAL MEETING—2016 - MINUTES

The legal voters of Barton Village, Inc, in the Town of Barton, in the County of Orleans, State of Vermont met in accordance with the warning at the Barton Memorial Building on Tuesday, March 8th, 2016 at seven o'clock in the evening to transact the following business with voters and non-voters present.

The meeting was called to order at 7:00 p.m. by Chair, Ryan Longe.

In the absence of the duly elected moderator, David Snedeker, Ryan Longe started the meeting.

Article 1: Elect a Moderator for one year

Paul Sicard motioned to elect David Snedeker, seconded by David Bilado. No other nominations. The motioned carried.

Article 2: Elect a Clerk for one year.

Nathan Sicard motioned to elect Shelia Martin, seconded by Tin (Justin) Barton-Caplin. No other nominations. The motioned carried.

Article 3: Elect a Trustee for three years.

Nathan Sicard asked if anyone was interested in the Trustee position. Cathy Swain motioned to elect herself, seconded by Jeanne Sicard. Cathy Swain indicated that her background is in finance and that she could help with some of the current financial issues. No other nominations. The motion carried.

Article 4: Elect the following officers for one year:

Treasurer, Collector of Delinquent Taxes

Nathan Sicard motioned to elect Shelia Martin as Treasurer and Collector of Delinquent Tax Collector, Tin (Justin) Barton-Caplin seconded. No other nominations. The motion carried.

Chief Engineer

First Assistant Engineer

Second Assistant Engineer

Trevor Royer motioned to elect Kevin Tartaglio as Chief Engineer (seconded by Franky Vezina), Johnny Nolan as First Assistant Engineer (seconded by Franky Vezina), and David Bilado as Second Engineer (seconded by Nathan Page). No other nominations. The motion carries.

Article 5: Shall the Village compensate the following elected officials for 2016. These funds will be raised through operating budgets from the Village Department, Electric Department, Water Department, Sewer Department and Fire Department as allowed.

Trustee—\$1260, Clerk-\$210, Treasurer 1% of taxes collected, Delinquent Tax Collector - 8% of Taxes Collected.

Fire Chief \$1,130, Assistant Fire Chiefs - \$657.50

Nate Sicard stated that there are no proposed increases and that these amounts are the same as 2015.

David Bilado motioned to approve Article 5 as stated, Dolores Chamberlain seconded. The motion carried.

Article 6: Shall the Village raise \$359,448 through taxes upon the grand list for the funds requested in the 2016 Annual Village Budget and the ensuing year and direct the Trustees to assess a tax on the grand list sufficient to meet the same. (See Village Department Budget for assessment requested by the Trustees).

Dolores Chamberlain motioned to approve Article 6 as stated, seconded by Cathy Swain. Nathan Sicard provided an overview of the budget. The motion carried.

Article 7: Shall the Village raise \$65,380 through taxes and user fees for the water department capital debt retirement and water capital reserve funds*, such funds will be used for major repairs, replacement and upgrades to the structural components of the Village water system. (*This was previously in the Operation and Maintenance budget collected from customer accounts).

Susan Penharlow motioned to approve Article 7 as stated, seconded by Cathy Swain.

Nathan Sicard also clarified the asterisks represents that only \$8,000 for water capital reserve funds was the only amount that was previously in the operating budget and would now be collected through taxes and user fees.

The motion carried.

Article 8: Shall the Village raise \$48,615 through taxes and user fees for wastewater department capital debt retirement and wastewater capital reserve funds*, such funds will be used for major replacements and upgrades to the structural components of the Village Wastewater System. (*This was previously in the Operation and Maintenance budget collected from customer accounts).

Cathy Swain motioned to approve Article 8 as stated, seconded by Susan Penharlow.

Nathan Sicard also clarified the asterisks represents that only \$4000 for waste water capital reserve funds was the only amount that was previously in the operating budget and would now be collected through taxes and user fees.

The motion carried.

Article 9: Shall the Village appropriate the sum of \$5000 in funds to be used as matching funds for grant applications that demonstrate direct benefit to the Village of Barton community and/or its residents with requirements for said appropriation be a report of income and expense and instruct the Trustees to assess a tax sufficient to meet the same?

Dolores Chamberlain motioned to approve Article 9 as stated, seconded by Father Naples.

Father Naples indicated that he would like the Village to consider using the grant funds to support the restoration of the Church clock as he understood that in the past the Village had agreed to help maintain the clock. Antoinette Eubanks raised concerns that there were other churches with clocks.

Paul Sicard raised the question of the actual amount in the reserve fund currently as it appeared that the \$5000 from last year was not appropriated to the reserve account. Nathan Sicard

confirmed that the money had not yet been transferred and that the amount in the Annual Report did not reflect the anticipated transfer.

Susan Penharlow stated that trusted the Trustees to appropriate the funds appropriately.

The motion carried.

Article 10: Shall the Village collect its taxes due and payable within 60 days without discount. Interest to accrue on delinquent taxes at the maximum rate allowed by law and an 8% penalty assessed on all delinquent taxes and postmarks are not acceptable as payment dates?

Dolores Chamberlain motioned to approve Article 10 as stated, seconded by Paul Sicard.

The motion carried.

Article 11: (AKA Article I in separate warning) Shall the voters of the Village of Barton approve a note not to exceed \$200,000 for up to and including twenty-five (25) years consistent with Orders issued by the Vermont Public Service Board in Docket No. 8635 for the purpose of financing the construction of a fish passageway and monitoring equipment at the hydroelectric generation facility?

Nathan Sicard motioned to approve the Article as stated but as a non-binding resolution, Paul Sicard seconded.

Voters asked if this money was already spent. Trustees indicated that approximately \$156,000 was already spent and that the fish passageway was needed to remain in compliance with state and federal regulators.

Paul Sicard motioned to amend the Article to read as such:

Article 11: (AKA Article I in separate warning) Shall the voters of the Village of Barton approve a note not to exceed \$200,000 **for the Barton Electric Department** for up to and including twenty-five (25) years consistent with Orders issued by the Vermont Public Service Board in Docket No. 8635 for the purpose of financing the construction of a fish passageway and monitoring equipment at the hydroelectric generation facility?

David Bilado seconded. The motion to amend carried.

The motion to approve Article 11 as non-binding and as amended carried.

Article 12: (AKA Article II in separate warning). Shall the voters of the Village of Barton approve a note not to exceed \$900,000 for up to and including twenty-five (25) years consistent with Orders issued by the Vermont Public Service Board in Docket No. 8651 for the purpose of refinancing existing short-term debt.

Nathan Sicard motioned to approve Article 12 as stated but as a non-binding resolution, Cathy Swain seconded.

Voters asked for a break down of this sum and again if the \$900,000 had already been spent. Trustees indicated that the short term debt/ line of credit was necessary to pay off previous deficits and to cover operating expenses. This partially due to the electric rates being insufficient to cover expenses and hence why Barton Village requested a rate increase.

Paul Sicard motioned to amend the Article to read as such:

Article 12: (AKA Article II in separate warning). Shall the voters of the Village of Barton approve a note not to exceed \$900,000 **for the Barton Electric Department** for up to and including twenty-five (25) years consistent with Orders issued by the Vermont Public Service Board in Docket No. 8651 for the purpose of refinancing existing short-term debt.

Antoinette Eubanks seconded. The motion to amend carried.

The motion to approve Article 12 as non-binding and as amended carried.

Article 13: (By Australian Ballot) Shall the Village amend the Barton Village Charter to adjust the boundary line of the Village of Barton so that Roaring Brook Road (TH#4) remains within the Village of Barton after the Bridge Replacement Project (Bridge #8) at the intersection of Glover Road (VT16) and Roaring Brook Road relocates the bridge southerly of its current location. The language of the charter change as presented in Exhibit A and on the survey prepared by the State of Vermont Agency of Transportation.

The ballot count indicated that there 25 total ballots cast. One (1) ballot was spoiled. Twenty-three (23) ballots were cast in the affirmative. One (1) ballot was cast in the negative. The article passed.

Article 14: To act on any other business that may legally come before said meeting.

Dolores Chamberlain asked why the Village Clerk was not present. Trustees indicated that the Clerk was appointed after Lucie Gaboriault resigned. Unfortunately, the appointed clerk, Shelia Martin, had a previously arranged engagement out of town and therefore could not attend.

Paul Sicard wished to thank the Trustees recognizing the work and positive change over the past year.

Article 15: To Adjourn.

Paul Sicard motioned to adjourn at 8:20 p.m., Robert Ferlazo seconded. The motion carried.

Attested by Shelia Martin
Barton Village Clerk

Date

**NOTICE
BARTON VILLAGE ANNUAL MEETING**

The legal voters of the Village of Barton, in the Town of Barton, in the County of Orleans, State of Vermont are hereby warned and notified to meet at the Barton Village Memorial Building in said Barton Village, March 14, 2017 at Seven (7:00) o' clock in the evening to transact the following business, viz:

Article 1: Elect a Moderator for one year.

Article 2: Elect a Clerk for one year.

Article 3: Elect a Trustee for three years.

Article 4: Elect a Treasurer for one year.

Article 5: Elect a Delinquent Tax Collector for one year.

Article 6: Elect a Chief Engineer for one year.

Article 7: Elect a First Assistant Engineer for one year.

Article 8: Elect a Second Assistant Engineer for one year.

Article 9: Shall the Village compensate the following elected officials for 2017. These funds will be raised through operating budgets from the Village Department, Electric Department, Water Department, Sewer Department and Fire Department as allowed.

Trustee - \$1260, Clerk - \$210, Treasurer - 1% of taxes collected, Delinquent Tax Collector – 8% of Taxes Collected.

Fire Chief - \$1,130, Assistant Fire Chiefs - \$657.50.

Article 10: Shall the Village raise \$367,694 through taxes upon the grand list for the funds requested in the 2017 Annual Village Budget and the ensuing year, and direct the Trustees to assess a tax on the grand list sufficient to meet the same.

(See Village Department Budget for assessment request by the Trustees)

Article 11: Shall the Village raise \$65,897 through taxes and user fees for water department capital debt retirement and water capital reserve funds, such funds will be used for major repairs, replacement and upgrades to the structural components of the Village water system.

(See Water Department Budget for assessment request by the Trustees)

Article 12: Shall the Village raise \$57,181 through taxes and user fees for wastewater department capital debt retirement and wastewater capital reserve funds, such funds will be used for major replacements and upgrades to the structural components of the Village Wastewater System.

(See Wastewater Department Budget for assessment request by the Trustees)

Article 13: Shall the Village appropriate the sum of \$5,000 in funds to be used as matching funds for grant applications that demonstrate direct benefit to the Village of Barton community and/or its residents with requirements for said appropriation be a report of income and expense and instruct the Trustees to assess a tax sufficient to meet the same?

Article 14: Shall the Village collect its taxes due and payable within 60 days without discount. Interest to accrue on delinquent taxes at the maximum rate allowed by law and an 8% penalty assessed on all delinquent taxes and postmarks are not acceptable as payment dates?

Article 15: Shall the Village authorize the Board of Trustees to spend an amount not to exceed 3/12th of the 2017 annual budget article adopted at the 2017 annual meeting during the period from January 1, 2018 until the annual village meeting held in March 2018.

Article 16: To act on any other business that may legally come before said meeting.

- A public informational meeting to provide the citizenry an opportunity to become acquainted with a proposal to replace the existing memorial building emergency generator. This meeting is held as an application requirement for a USDA Rural Development Facilities Grant. Details of the proposed project can be viewed at the Village office, 17 Village Sq., Barton.

Article 17: To Adjourn.

Dated at Barton Village, this 23th day of January, 2017

/S/ Cathy Swain, Trustee

/S/ Justin “Tin” Barton-Caplin, Trustee

/S/ Nathan Sicard, Trustee

Attest:

/S/
Shelia Martin
Barton Village Clerk

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*

To the Board of Trustees
Barton Village, Inc.
Barton Village, 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, the business-type activities, each major fund, and the aggregate remaining fund information of Barton Village, Inc. (the "Village"), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated August 10, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) to determine the 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 Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

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

Our consideration of internal control was for the limited purpose described in the 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 identified deficiencies in internal control that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village'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 determination of financial statement amounts. However, providing an opinion on compliance with those

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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*.

Purpose of this Report

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

Graham & Graham, P.C.



Springfield, Vermont

August 10, 2016

VT Registration #92-0000282

NH Registration #659

ME Registration #FMF 100011

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E-Mail: jeff@grahamcpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Barton Village, Inc.
Barton, Vermont

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Barton Village, Inc. (the "Village"), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise Barton Village, Inc.'s basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant account estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Barton Village, Inc., as of December 31, 2015, and the respective changes in financial position, and, where applicable cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 to 8 and Statement of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual – Budgetary Basis – General Fund be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The Statement of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual – Budgetary Basis – Fire Department Fund is presented for purposes of additional analysis and is 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 financial statements. The accompanying budgetary comparison for the Fire Department Fund has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 10, 2016 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Village's internal control over financial reporting and compliance.

Graham & Graham, P.C.



Springfield, Vermont

August 10, 2016

VT Registration #92-0000282

NH Registration #659

ME Registration #FMF 1000112

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BARTON VILLAGE, INC.
MANAGEMENT DISCUSSION AND ANALYSIS (Unaudited)
DECEMBER 31, 2015

Introduction and Background

The year 2015 brought major changes to Barton Village, Inc. (the “Village”) leadership, management, staffing, operations, policies/procedures, and software upgrades. Like any transition, this has been challenging, and we are extremely proud of the team that is now in place and the progress we are making on behalf of Barton Village residents, tax payers, and utility customers.

This financial report reflects the hard work and resulting extraordinary expenses involved in correcting past errors, implementing new software, and overhauling utility rates and operations for sustainability. The successful rate case with the Public Service Board for the first time in eight years will catch up with increasing costs starting in 2016, and sustain electric service. The new water and wastewater rate structure will sustain the investment in critical infrastructure while reducing the burden on families.

These and continuing improvements in 2016 will stabilize Village finances and shift the focus of Village officials and staff to a new vision for revitalization.

In this section of the Village annual financial audit report, management provides narrative discussion and analysis of the financial activities of the Village for the year ended December 31, 2015, relevant subsequent events through August 10, 2016, and a forward look into the future.

The Village's financial performance is discussed and analyzed within the context of accompanying financial statements and disclosures. Additional information is available in the auditor's opinion letter, which precedes the management's discussion and analysis.

Financial Highlights

- Assets exceeded liabilities on December 31, 2015 by \$8,685,272 (net position). Of this amount, \$774,501 (unrestricted net position) may be used by the various funds of the Village to meet the Village's ongoing obligations.
- The Village's total net position decreased by \$943,630. Of this amount, net position attributable to governmental activities decreased by \$67,029. Net position attributable to business-type activities decreased by \$876,601.
- Fund balances of governmental funds decreased by \$14,920 during the year ended December 31, 2015.
- The General Fund had \$43,717 of unassigned fund balance at December 31, 2015 which is equal to 9% of the approved FYE15 General Fund Budget.

Overview of the Village's Financial Statements

The Village's basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-Wide Financial Statements provide both long term and short-term information about the Village's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The government-wide financial statements are presented on page 10 and 11 of this report.

BARTON VILLAGE, INC.
MANAGEMENT DISCUSSION AND ANALYSIS (Unaudited)
DECEMBER 31, 2015

Both government-wide financial statements distinguish government activities of the Village that are principally supported by state and federal sources, intergovernmental revenues such as operating grants, and revenue from the local tax levy.

The first of these two government-wide statements is the **Statement of Net Position**, presenting information that includes all of the Village's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the overall financial position of the Village is improving or deteriorating. In addition to the financial information provided in this report, evaluation of the overall health of the Village would extend to other non-financial factors such as diversification of the taxpayer base, the continued financial support of the state and federal governments, and the condition of the Village's infrastructure.

The second government-wide statement is the **Statement of Activities**, which reports how the Village's net position changed during the current fiscal year. All current revenues and expenditures are included regardless of when cash is received or paid. An important purpose for the design of the Statement of Activities is to show the financial reliance of the Village's activities or functions on revenues provided by the Village's taxpayers.

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

Governmental Funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, the governmental fund statements focus on the near-term inflows and outflows of resources available for spending. These statements illustrate short-term fiscal accountability in the use of such resources and the balances of such resources at the end of the fiscal year. They are useful in evaluating annual financial requirements of governmental programs and the commitment of such resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance have been reconciled in the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 12 through 17 of this report. A Budgetary Comparison Schedule is included in the financial statements for the General Fund. This schedule demonstrates regulatory compliance with the Village's adopted and final revised budget.

Proprietary Funds are used by the Village to report functions of business-type activities in the government-wide statements. The only proprietary funds used by the Village are enterprise funds. These consist of the electric, water, and sewer funds.

Fiduciary Funds are used when the Village is the trustee, or fiduciary, for certain funds. It is also responsible for other assets that - because of a trust arrangement - can be used only for the trust

BARTON VILLAGE, INC.
MANAGEMENT DISCUSSION AND ANALYSIS (Unaudited)
DECEMBER 31, 2015

beneficiaries. The Village is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of fiduciary activities are reported in a separate Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. We exclude these activities from the Village government-wide financial statements because the Village cannot use these assets to finance its operations. As of December 31, 2015, the Village did not maintain any fiduciary funds.

The Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds shows the operating and non-operating revenue and expenses for the fiscal year. The results of operations are the change in net position, which added to the prior year net position is the new net position shown on both this statement and the Statement of Net Position.

The Statement of Cash Flows - Proprietary Funds outlines the cash flow resulting from operations, investments, and the financing activities of the enterprise funds of Barton Village, Inc.

Notes to Financial Statements provide additional information essential to a full understanding of the Government-Wide and fund financial statements. The notes to the financial statements begin on page 19 of this report.

Government-wide Financial Analysis

The Village implemented the financial reporting model used in this report as required by the Governmental Accounting Standards Board (GASB) Statement No. 34 beginning with the year ended December 31, 2004. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be used to discuss the changing financial position of the Village as a whole. The Village's governmental funds are reported in the fund statements with a modified accrual basis that focuses on the short-term inflow and outflow of resources available for spending. This information is useful to compare resources available at the end of the year with upcoming financial requirements.

The Village's net position at fiscal year end is \$8,685,272. This represents a \$943,630 decrease from last year's net position of \$9,628,902 (as restated). The following table provides a summary of the Village's net position:

	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 283,332	\$ 2,192,809	\$ 2,476,141
Non-current assets	1,598,392	11,709,986	13,308,378
Total assets	<u>1,881,724</u>	<u>13,902,795</u>	<u>15,784,519</u>
Deferred inflows of resources	<u>12,964</u>	<u>68,062</u>	<u>81,026</u>
Current liabilities	30,091	459,329	489,420
Long-term liabilities	157,899	6,517,204	6,675,103
Total liabilities	<u>187,990</u>	<u>6,976,533</u>	<u>7,164,523</u>
Deferred outflows of resources	<u>1,861</u>	<u>13,889</u>	<u>15,750</u>
Net investment in capital assets	1,509,775	6,097,589	7,607,364
Restricted	-	303,407	303,407
Unrestricted	195,062	579,439	774,501
Total net position	<u>\$ 1,704,837</u>	<u>\$ 6,980,435</u>	<u>\$ 8,685,272</u>

BARTON VILLAGE, INC.
MANAGEMENT DISCUSSION AND ANALYSIS (Unaudited)
DECEMBER 31, 2015

The net position of the general fund is not restricted by state law and is available for spending at the Village's discretion. As indicated in the balance sheet on page 12, the net position assigned in the governmental activities totals \$207,720 and has been principally earmarked for the following purposes:

Memorial building	\$	3,866
Hydrants		3,551
Truck, tractor, and backhoe repairs and replacement		16,626
Future grant making		11,927
Parks and recreation		6,587
Containment tank repairs and replacement		13,697
Capital reserves		14,864
Paving		30,154
Other miscellaneous projects		100
Fire Department building and equipment		106,348
Total assigned fund balance, Governmental Activities	\$	<u>207,720</u>

The following table provides a summary of government-wide revenues, expenses, and net position for the year ended December 31, 2015:

Summary of Changes in Net Position

	Governmental Activities	Business-Type Activities	Total
Revenues			
Charges for services	\$ 78,759	\$ 2,963,573	\$ 3,042,332
Operating grants and contributions	103,542	33,400	136,942
Capital grants and contributions	34,400	220,773	255,173
Property taxes, penalties and interest	365,575	99,992	465,567
Investment income	370	27,652	28,022
Transfers	8,000	(8,000)	-
Other revenue	1,425	32,851	34,276
Total revenues	<u>592,071</u>	<u>3,370,241</u>	<u>3,962,312</u>
Expenses			
Governmental Activities:			
General government	309,174	-	309,174
Public safety	68,269	-	68,269
Public works	251,396	-	251,396
Culture and recreation	24,981	-	24,981
Interest on long-term debt	5,280	-	5,280
Business-Type Activities:			
Electric Fund	-	3,200,594	3,200,594
Water Fund	-	585,544	585,544
Wastewater Fund	-	460,704	460,704
Total expenses	<u>659,100</u>	<u>4,246,842</u>	<u>4,905,942</u>
Change in net position	(67,029)	(876,601)	(943,630)
Net position, beginning of year ^(restated)	1,771,866	7,857,036	9,628,902
Net position, end of year	<u>\$ 1,704,837</u>	<u>\$ 6,980,435</u>	<u>\$ 8,685,272</u>

BARTON VILLAGE, INC.
MANAGEMENT DISCUSSION AND ANALYSIS (Unaudited)
DECEMBER 31, 2015

Capital Assets, Upgrades and Improvements 2015-2016. At the end of 2015, the Village had \$7,607,364 invested in a broad range of capital assets (e.g. land, buildings and improvements, fire equipment, park facilities, roads, bridges, electrical infrastructure, and water and sewer lines, furniture and equipment), less any related debt (general obligation bonds payable) used to acquire those assets that are still outstanding. This amount is a net increase (with additions and deductions) of \$222,729, or 3%, over last year. Major additions in 2015 included:

2015 Ford truck with plow	\$ 47,550
Skid steer snow blower and sweeper	46,448
West Charleston Fishway/Penstock replacement	143,190
Distribution substation equipment	2,250
Barton 50% share Heath Substation	18,710
Substation backfill	3,051
Poles	50,814
Electric services	12,831
Wastewater facility improvements	205,088
	<u>\$ 529,932</u>

- During 2015, US Department of Agriculture (USDA) grant revenue covered the entire cost of essential upgrades to the Wastewater facilities, including new facility roofs, emergency generators, pumps, air blowers and heating systems, and the Village was awarded a \$34,400 USDA grant to partially fund the purchase of the skid steer.
- In 2015 the Village's water department replaced failed sewer lines on Washington Lane and failed drainage on Elm Street, which should help control spring flooding in the area. Water mains on School Street and West Street were also replaced before winter to reduce emergency repair costs incurred in recent years on these streets.
- The downstream fish passage pipe is now operating at our hydro facility, providing additional revenue and hydroelectric power for Village Electric customers.
- Barton Electric is replacing three 333 KVA regulators at the Heath Substation at a total cost of approximately \$60,000. Orleans Electric is 50% joint owner; Barton Electric's share is \$30,000.

The Village uses these capital assets to provide services; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, note that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Short-term Debt. The Village had a line of credit facility of \$450,000, with a total amount outstanding of \$443,753 as of December 31, 2015. In addition the Electric Fund entered into an agreement with Community National bank for a \$350,000 fixed rate (.08% per annum) line of credit expiring December 31, 2016, of which \$300,000 was borrowed as of December 31, 2015 for repayment of amounts previously borrowed by the Electric Fund to fund operating expenses.

Long-Term Debt. At the end of 2015, the Village had total long-term debt outstanding of \$6,050,540. Of the total amount outstanding, current maturities (payable within 12 months) totaled \$1,157,516. New debt consisted of the \$600,000 revenue anticipation note due from the Electric Department, a \$200,000 Hydro Dam loan borrowed by the Electric Department for Hydro Dam improvements, a \$65,000 loan borrowed by the General Fund for the purchase of a truck, and a \$115,000 revenue anticipation note borrowed by the Water Fund.

BARTON VILLAGE, INC.
MANAGEMENT DISCUSSION AND ANALYSIS (Unaudited)
DECEMBER 31, 2015

These amounts are backed by the full faith and credit of Barton Village, Inc. with voter approved property taxes and user fees used to pay the obligations. These proceeds are being used to fund capital assets as well as for general operating costs in anticipation of future revenue receipts.

Debt Limitations. The Village's credit rating has remained stable and reflects the Village's trend of satisfactory financial operations with historically ample reserves, manageable debt burden, conservative management, and the stable economy. Currently, there are no debt limitations that may affect financing.

Subsequent Events January 1 – August 10, 2016

Several initiatives that were undertaken in 2015 are ongoing and showing results in 2016 and looking forward:

1. Following a year of substantial personnel changes and the presence of costly consultants in 2015, a strong committed Village team is now in place with the following leadership and staffing outcomes in 2016:
 - Financial Coordinator position was eliminated in February
 - Lead Accountant & Human Resource Manager was hired permanently in March
 - New Trustee and new Trustee Board Chair were elected in March
 - Temporary Accountant positions were eliminated in May
 - Small Electric System Engineer & Utility Manager was hired in May
2. Village leadership undertook an in-depth analysis of water and wastewater rates during 2015, in response to concerns that families were leaving the Village because of high usage costs. The result of this analysis was a shift from straight usage charges to a minimum base rate that covers ~75% of the cost to sustain the operation and infrastructure, while significantly reducing usage rates above the base rate. These changes went into effect in February 2016, and management is evaluating their impact on water and sewer financial operations.
3. A rate case was presented to the Public Service Board (PSB) in 2015, requesting an 18% increase in electric rates based on 2014 financial results. Electric rates had not been changed for the eight years prior. Mid-December 2015 we implemented an 18% surcharge for electric customers in anticipation of PSB approval. In June 2016 the PSB approved an electric rate increase of 16.17%, and we refunded electric customers the difference between the 18% surcharge they had been paying and the approved 16.17% rate increase.
4. The Electric Department upgraded additional 46 KV transmission facilities located in Irasburg during the first quarter of 2016. Total cost should be in the range of \$30,000 for Barton Electric. This line is jointly owned line by Vermont Electric Coop, Barton Electric and Orleans Electric. An assessment will be made in 2016 to determine which portion of the line will be replaced in 2017.
5. The project to replace Bridge #20 on Glover Street and #58 on Roaring Brook Road was delayed by VTRANS. Village management expects the project to go out to bid in late 2016 for a 2017 construction start.
6. The Village changed from Harris to NEMRC financial accounting and utility billing software in November 2015. Tailoring the software to meet the Village's needs and staff training were ongoing during the first half of 2016.

BARTON VILLAGE, INC.
MANAGEMENT DISCUSSION AND ANALYSIS (Unaudited)
DECEMBER 31, 2015

7. Late in 2015 operational, internal control, and financial policies and procedures were documented and implemented. During 2016 we are updating, expanding, and finalizing these, as well as personnel policies in compliance with our Union Contract, with collaborative input from all affected personnel, elected officials, auditors and regulators.
8. At the March 2016 Annual Meeting, Voters approved a \$200,000 maximum note for up to 25 years to finance the construction of a fish passageway and monitoring equipment at the hydroelectric generation facility, a \$900,000 maximum note for up to 25 years to refinance existing short-term debt (\$600,000) and line of credit (\$300,000).
9. In 2016 we began a process of consolidating our many bank accounts to simplify recordkeeping while continuing to avoid credit risk associated with uninsured balances.
10. During the fall 2016 budget season we will map our outdated Chart of Accounts to new FERC compliant Chart of Accounts. We will implement the new Chart of Accounts effective January 1, 2017 to improve our accountability and reporting going forward.

Barton Electric is currently operating comfortably within our 2016 budget, and we expect that the rate increase, capital investments, operating efficiency measures, lower administrative costs, and improved debt structure will stabilize operations into the future.

Contacting the Financial Managers of the Village

This financial report is designed to provide a general overview of the Village's finances, comply with finance-related laws and regulations, and demonstrate the Village's commitment to public accountability. If you have questions about this report, or would like to request additional information, please contact the Village office.

**Barton Village, Inc.
Village Department**

**2015
Actual
(Audited)**

**2016
Budget**

**2016
Actual
Unaudited**

**2017
Proposed
Budget**

Operating Revenues

Rents

Municipal Bldg Rents	\$ 520	\$ 600	\$ 485	\$ 300
Electric Department Bldg Rents	\$ 47,540	\$ 52,450	\$ 62,254	\$ 52,450
Water Department Office Rent	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Waste Water Departement Office Rent	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Total	\$ 52,060	\$ 57,050	\$ 66,739	\$ 56,750

Other Revenues

Disaster Events Reimbursement	\$ -	\$ -	\$ -	\$ -
State Aid - Streets	\$ 34,721	\$ 35,000	\$ 43,389	\$ 34,700
Pageant Park Revenue	\$ 23,717	\$ 17,500	\$ 30,478	\$ 23,000
Misc. Income	\$ 975	\$ 500	\$ 3,967	\$ 500
Total	\$ 59,414	\$ 53,000	\$ 77,835	\$ 58,200

Taxes

Electric Department/In lieu of Taxes	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
Real & Personal Property Tax	\$ 357,074	\$ 364,448	\$ 357,250	
St. of VT - Payment in Lieu of Taxes (PILOT)	\$ 9,021	\$ 9,000	\$ 4,542	\$ 5,000
Delinquent Taxes and Penalties	\$ 8,501	\$ 4,000	\$ 4,463	\$ 3,500
Total	\$ 382,597	\$ 385,448	\$ 374,255	\$ 16,500

Total Revenues	\$ 494,070	\$ 495,498	\$ 518,829	\$ 131,450
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Expenses

Labor

Office Staff	\$ 27,104	\$ 20,000	\$ 30,699	\$ 7,500
Field Staff (Winter)	\$ 37,012	\$ 42,360	\$ 51,203	\$ 52,860
Field Staff (Summer)	\$ 22,348	\$ 27,000	\$ 35,562	\$ 41,500
Field Staff (Pageant Park)	\$ 690	\$ 2,500	\$ 3,200	\$ 3,000
Field Staff (Parks, Other)	\$ 328	\$ 500	\$ 252	\$ 300
Maintenance Staff	\$ 9,299	\$ 9,000	\$ 8,350	\$ 8,800
Employee Benefits (Comp/Health/Ret.)	\$ 86,234	\$ 70,000	\$ 75,321	\$ 51,379
Outside Consultants	\$ 3,500	\$ 1,500	\$ -	\$ -
Officers Salaries/Del. Tax Collector Fees	\$ 12,181	\$ 9,000	\$ 12,137	\$ 12,000
Workers Comp./Unemployment/Liability	\$ 25,214	\$ 19,300	\$ 9,936	\$ 28,161
FICA/MEDI	\$ 9,878	\$ 10,000	\$ 12,353	\$ 8,500
Total Labor	\$ 233,788	\$ 211,160	\$ 239,012	\$ 214,000

Roads - Winter Care

Road Salt	\$ 27,046	\$ 31,000	\$ 18,880	\$ 24,000
Road Sand	\$ 3,540	\$ 4,000	\$ 1,956	\$ 3,000
Cold Patch Materials	\$ -	\$ 2,000	\$ -	\$ 2,000
Total	\$ 30,586	\$ 37,000	\$ 20,836	\$ 29,000

**Barton Village, Inc.
Village Department**

	2015 Actual (Audited)	2016 Proposed Budget	2016 Actual Unaudited	2017 Proposed Budget
Roads - Summer Care				
Hot Patch Materials	\$ 3,271	\$ 4,500	\$ 6,597	\$ 6,000
Street Sweeping, Marking, Signs	\$ 1,030	\$ 4,500	\$ 2,334	\$ 3,800
Bridge, culvert, drain and basin materials	\$ 4,446	\$ 6,500	\$ 9,491	\$ 7,000
Other Street Expense/Sidewalks	\$ 1,607	\$ 3,500	\$ 313	\$ 2,000
Guardrail/Fence/Retaining Wall Maintenance	\$ -	\$ 1,000	\$ -	\$ -
Roadside Expenses/Brush Hog	\$ 2,297	\$ 2,000	\$ 2,313	\$ 2,000
Employee Training	\$ 241	\$ 500	\$ 410	\$ 500
Mileage Expense	\$ -	\$ -	\$ 19	\$ 50
Total	\$ 12,892	\$ 22,500	\$ 21,477	\$ 21,350

Equipment Maintenance Expense				
Trucks	\$ 14,496	\$ 12,000	\$ 9,374	\$ 12,000
Gas/Diesel Fuel Expense	\$ 1,887	\$ 2,000	\$ 3,671	\$ 5,000
Backhoe/Skidsteer/Mower	\$ 426	\$ -	\$ 1,365	\$ 500
Shop Equipment, Tools and Clothing	\$ 1,593	\$ 2,100	\$ 1,993	\$ 3,000
Truck and Equipment Insurance	\$ 3,790	\$ 2,900	\$ 3,079	\$ 5,700
Total	\$ 22,191	\$ 19,000	\$ 19,482	\$ 26,200

Total Highway	\$ 65,669	\$ 78,500	\$ 61,794	\$ 76,550
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Miscellaneous				
Office Supplies and Equipment	\$ 29,281	\$ 14,900	\$ 15,153	\$ 14,300
Radio, Dispatch, Paging	\$ 1,621	\$ 1,675	\$ 1,493	\$ 1,700
Yard/Garage Maintenance Expense	\$ 7,292	\$ 5,750	\$ 6,482	\$ 5,700
Utilities (Water/Sewer/Electric, Heating)	\$ 27,859	\$ 21,900	\$ 23,475	\$ 23,900
Property and Liability Insurance	\$ 11,517	\$ 15,000	\$ 12,549	\$ 13,600
Street Lights (Electricity and Repairs)	\$ 14,363	\$ 13,000	\$ 11,612	\$ 15,300
Legal / Outside Services / Audit	\$ 43,516	\$ 32,000	\$ 29,420	\$ 15,000
Misc. Fees/Interest/Tax Sale Properties/Dues	\$ 6,765	\$ 3,275	\$ (2,432)	\$ 925
IT Support	\$ -	\$ 3,000	\$ 462	\$ 500
Engineering and Surveying	\$ -	\$ -	\$ -	\$ -
Total	\$ 142,215	\$ 110,500	\$ 98,213	\$ 90,925

Other Expenses

Highway/Special				
Bridge 58 Project #BO 1449033	\$ 5,214	\$ -	\$ 5,174	\$ -
Bridge 20 Proj#BBHF0286005	\$ 4,291	\$ -	\$ 2,683	\$ -
Total	\$ 9,505	\$ -	\$ 7,857	\$ -

Pageant Park				
Caretaker	\$ 5,280	\$ 5,200	\$ 6,643	\$ 6,800
Utilities	\$ 4,965	\$ 5,150	\$ 4,557	\$ 5,700
Supplies & Misc Expense	\$ 1,851	\$ 2,500	\$ 3,871	\$ 5,000
Lawn Mowing	\$ 1,195	\$ 1,400	\$ 1,474	\$ 2,000
Campground Insurance	\$ -	\$ 770	\$ 768	\$ 900
Improvements and Repairs	\$ -	\$ -	\$ -	\$ -
Total	\$ 13,290	\$ 15,020	\$ 17,313	\$ 20,400

**Barton Village, Inc.
Village Department**

**2015
Actual
(Audited)**

**2016
Proposed
Budget**

**2016
Actual
Unaudited**

**2017
Proposed
Budget**

Parks

(Ball Field, Common, Church St. Lot)

Park Utilities and lawn care	\$ 2,578	\$ 2,280	\$ 3,173	\$ 2,700
Improvements and Repairs	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ 20	\$ 18	\$ 20
Village Common	\$ 1,445	\$ 800	\$ 1,155	\$ 1,100
Total	\$ 4,023	\$ 3,100	\$ 4,346	\$ 3,820

Total O&M Expenses \$ 468,489 \$ 418,280 \$ 428,537 \$ 405,695

Total Operating Revenue Over (Under) Expenditures \$ 25,580 \$ 77,218 \$ 90,292 \$ (274,245)

Capital Budget

Loans

2012 Int. Dump Truck Principal Only: Exp. 08/01/2016	\$ 8,118	\$ 8,118	\$ 8,118	\$ -
2015 Ford F550 Truck: Exp. 12/2019	\$ 14,300	\$ 13,000	\$ 14,040	\$ 13,780
Bridge 58 (Roaring Brook Rd) Bridge 20 (Glover St.) Exp. 2037	\$ -	\$ 1,000	\$ -	\$ 9,369
Garage Loan Exp. 12/1/2018	\$ 19,305	\$ 20,100	\$ 19,400	\$ 19,800
Total	\$ 41,723	\$ 42,218	\$ 41,558	\$ 42,949

Reserves

Capital Replacement	\$ 5,000	\$ 4,000	\$ 4,000	\$ 4,000
Tractor/Snowblower	\$ -	\$ 2,000	\$ 2,000	\$ 2,500
Village Trucks	\$ -	\$ 10,000	\$ 10,000	\$ 10,000
Backhoe Savings	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Fuel Tank	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
Paving	\$ 10,000	\$ 10,000	\$ 10,000	\$ 20,000
Operating*	\$ (40,143)	\$ -	\$ 13,734	\$ 10,000
Pageant Park	\$ -	\$ -	\$ -	\$ -
Total	\$ (21,143)	\$ 30,000	\$ 43,734	\$ 50,500

Appropriations

Total \$ 5,000 \$ 5,000 \$ 5,000 \$ -
Total \$ 5,000 \$ 5,000 \$ 5,000 \$ -

*Note: A year end surplus or deficit is accounted for in our operating reserve.

Total Revenue Less Expenses and Reserves \$ - \$ - \$ - \$ (367,694)

Total Village Operating, Debt and Reserve Funds Requested **\$364,448** **\$367,694**

Total Water Tax Requested, See Water Department Budget, See note 1	65,385	65,897
Total Sewer Tax Requested, See Sewer Department Budget, see note 2	56,150	57,181
Total	485,983	490,772

Note 1 - Assessed and paid properties with access to the Village water system

Note 2 - Assessed and paid by properties with access to the Village sewer system

VILLAGE OF BARTON
SCHEDULE OF RESTRICTED CASH
For the Year Ended December 31, 2016

Village Department

<u>Restricted Purpose</u>	<u>Balance Jan 1, 2016</u>	<u>Interest Income</u>	<u>Additions</u>	<u>Withdrawals</u>	<u>Balance Dec 31, 2016</u>	
Sidewalks	\$ 69.49	\$ 0.09			\$ 69.58	
Memorial Building Roof Drains	\$ 3,866.06	\$ 5.13		\$ 1,131.41	\$ 2,739.78	***
Hydrants	\$ 3,550.85	\$ 4.71			\$ 3,555.56	
Tractor	\$ 154.83	\$ 0.20	\$ 2,000.00	*	\$ 155.03	
Truck	\$ 227.59	\$ 0.30	\$ 10,000.00	*	\$ 227.89	
Backhoe	\$ 16,243.34	\$ 16.15	\$ 2,500.00	*	\$ 16,259.49	
Future Grant Matching	\$ 11,927.48	\$ 22.44	\$ 5,000.00		\$ 16,949.92	****
Crystal Lake Outlet	\$ 4,112.79	\$ 5.45			\$ 4,118.24	
Barton River Green	\$ 879.15	\$ 1.17			\$ 880.32	
Barton Ball Field	\$ 1,595.16	\$ 2.12			\$ 1,597.28	
Containment Tank	\$ 13,697.37	\$ 18.16	\$ 1,500.00	*	\$ 13,715.53	
Capital Reserves	\$ 14,863.65	\$ 11.63	\$ 4,000.00	*	\$ 14,875.28	**
BMB R&R	\$ 30.21	\$ 0.04			\$ 30.25	
Paving	\$ 30,154.06	\$ 126.31	\$ 10,000.00	*	\$ 25,802.00	
	<u>\$ 101,372.04</u>	<u>\$ 213.90</u>	<u>\$ 35,000.00</u>	<u>\$ 26,933.41</u>	<u>\$ 79,652.53</u>	

****Money transferred for 2015, 2016 will be completed as cash becomes available.

***Project complete, the money can be reallocated.

**Error made in transfer during 2016, corrected in 2017. \$11,713.07 moved from old accounts, should have been \$14,871.34. Corrected from Water and Sewer Capital Reserves which were over transferred.

* Funds unable to be transferred in 2016 due to uncollected taxes.

Will transfer as funds come in in 2017.

**Barton Village, Inc
Village Department
Balance Sheet**

**2015
Audited**

**2016
Unaudited**

Assets

Community Checking	44,736.24	109,006.55
People's Bank/Reserve Fund	70,265.05	44,017.75
People's Bank/Capital Reserve	14,862.67	11,717.01
Community/Backhoe	16,243.34	16,259.49
Accounts Receivable	136.49	136.49
Accounts Receivable/ Pageant Park	(300.00)	(200.00)
Prepaid Expenses	1,802.68	1,802.68
Real Tax Receivable	27,758.28	22,583.19
Delinquent Tax Interest Receivable	634.45	634.45
Due From Other Funds	(27,042.42)	(27,042.42)
Due to Other Funds	41,341.35	(201,643.19)
Land	122,958.93	109,722.93
Construction Work in Progress	19,469.00	19,469.00
Buildings	707,437.45	536,286.45
Machinery / Equipment	63,974.35	42,338.35
Vehicles	786,481.94	170,788.94
Infrastructure	1,064,075.00	1,102,937.00
Passumpsic Savings/Truck	-	6,061.19
Fire Department / Vehicles	168,917.00 *	-
Accumulated Depreciation	(1,334,922.00)	(910,789.00)
Deferred Outflows Pensions	12,964.00	12,964.00
Total Assets	1,801,793.80	1,067,050.86

Liabilities

Accounts Payables	18,797.62	(189,273.65)
Accrued Payroll	12,509.99	16,422.31
Federal Withholding Tax	(32.79)	(32.79)
VT State Withholding Tax	(645.69)	(645.69)
FICA Withhold Tax	(4,980.03)	(4,980.03)
Municipal Retirement	(2,089.46)	(2,335.63)
Health Insurance Withholding	(781.05)	1,437.76
Union Dues	(331.20)	(323.76)
Child Support	918.41	657.01
Employee's Savings	975.00	975.00
Deferred Compensation	80.00	80.00
People's/09 Garage Loan	55,500.00	24,660.50
VEDA Bridges 20 and 58	-	5,016.35
People's/2012 Truck	8,118.00	8,118.00
Net Pension Liability	28,092.00	28,092.00
VT Municipal LN/2015 Ford	52,000.00	39,000.00
Passumpsic Savings/Truck	18,938.81	-
Deferred Inflows - Pension	1,861.00	1,861.00
Total Liabilities	188,930.61	(71,271.62)

**Barton Village, Inc
Village Department
Balance Sheet**

**2015
Audited**

**2016
Unaudited**

Equity

Fund Balance / Undesignated	(209,913.79)	(253,998.16)
Fund Balance / General Fixed Assets	1,577,154.90	1,577,154.90
Fund Balance / Designated / Specific	378,546.86	378,546.86
Fund Balance / Debt Service	(115,236.00)	(115,236.00)
Due to / Due from	14,375.33	14,375.33
YTD Profit or Loss	(32,064.11)	(462,520.45)
Total Equity	1,612,863.19	1,138,322.48
Total Liabilities & Equity	1,801,793.80	1,067,050.86

* Fire Department assets moved to the fire department balance sheet.

Barton Villahge Inc.
Delinquent Tax Report 2016

	Balance 1/1/2016	Collected 12/31/2016	Balance 12/31/2016
2014 Village	1,231.50	\$ 1,231.50	-
2014 Water	-	\$ -	-
2014 Sewer	-	\$ -	-
	1,231.50	\$ 1,231.50	-
2015			
2015 Village	1,497.90	\$ 205.35	1,292.55
2015 Water	158.09	\$ 23.47	134.62
2015 Sewer	24.64	\$ 24.64	-
	1,680.63	- 253.46	- 1,427.17
2016 Village	30,436.02	\$ 9,145.39	21,290.63
2016 Water	3,600.81	\$ 1,027.49	2,573.32
2016 Sewer	2,805.68	\$ 1,250.53	1,555.15
	36,842.51	- 11,423.41	- 25,419.10
Total	39,754.64	- 12,908.37	- 26,846.27

Summary Delinquent Taxes Due

Barton Village Department	22,583.18
Barton Village Water Department	2,707.94
Barton Village Sewer Department	1,555.15
Total Due	26,846.27

Barber, Gordon & Theodore J
 Barber, Roger T & Charlotte Trustees
 Beasley, Christine M
 Bernier, Roger and Paula
 Bondor, Jose Andras & Patricia
 Bosley, Jerry C
 Branche, Kimberly S
 Campbell, Dorothy K
 Carey, Chrisitian
 Doran, Derek
 Doucet, Jennifer and David
 Gatison, Richard & Michelle
 Gilman Housing
 Goss, Wendell
 Healy, Michael & Healy, Julie Bean
 Hill, Richard A & Kathleen M
 Jenne, William & Berlly
 Karle, Cecily & Medine, Sean

Kessler, Gregg & Blanchard, Lori
 McAulliff, Cathleen
 McCormick, Craig
 Marks, Colby
 McAulliff, Cathleen
 Morse, James
 Phillips, Hugh
 Pray, Scott & Ogden, Kendall
 Pray, Scott
 St. Martin, Armand & Patricia
 Sayarth, Bouketh
 Schwage, Frederick
 Swanson, Sandra
 Thomas, Stephen & Shaw, Karen
 Vigario, Feliciano
 Washburn, Bruce
 Willey, Julie
 Winston Jennison Investment LLC

Barton Village, Inc. Fire Department	2015 Actual (Audited)	2016 Budget	2016 Actual (Unaudited)	2017 Proposed Budget
Revenues				
Town Tax Funding	\$ 59,800.00	\$ 69,800.00	\$ 59,800.00	\$ 87,700.00
False Alarm Billing	\$ -	\$ -	\$ -	\$ 2,000.00
Accident Claims/Misc.	\$ 1,574.51	\$ 1,500.00	\$ 3,961.48	\$ 1,560.00
Total Revenues	\$ 61,374.51	\$ 71,300.00	\$ 63,761.48	\$ 91,260.00
Operating Expenses				
Labor				
Payroll	\$ 3,718.50	\$ 5,000.00	\$ 12,381.50	\$ 14,000.00
FICA/MEDI	\$ 284.45	\$ 400.00	\$ 1,134.37	\$ 1,300.00
Workers Comp/Liability	\$ 5,224.25	\$ 3,050.00	\$ 2,673.03	\$ 7,100.00
Fireman's Training Exp	\$ 600.00	\$ 2,100.00	\$ 600.00	\$ 1,000.00
Officer's Salaries	\$ 2,195.40	\$ 2,450.00	\$ 2,445.00	\$ 2,450.00
Dispatch**	\$ -	\$ 10,000.00	\$ -	\$ 10,000.00
Total Labor	\$ 12,022.60	\$ 23,000.00	\$ 19,233.90	\$ 35,850.00
Equipment Expense				
Truck Expense	\$ 6,303.28	\$ 2,620.00	\$ 8,954.80	\$ 3,000.00
Truck Insurance	\$ 2,991.52	\$ 3,000.00	\$ 3,261.54	\$ 3,500.00
New Equipment	\$ 1,493.17	\$ 5,000.00	\$ 4,395.49	\$ 5,000.00
Equipment Expense/SCBA	\$ -	\$ -	\$ -	\$ 1,000.00
Accident Insurance	\$ 730.00	\$ 730.00	\$ 734.00	\$ 735.00
Supplies & Expenses	\$ 2,877.19	\$ 1,500.00	\$ 4,343.14	\$ 5,000.00
Radio Repairs	\$ 72.00	\$ 100.00	\$ 805.40	\$ 300.00
Total Equipment	\$ 14,467.16	\$ 12,950.00	\$ 22,494.37	\$ 18,535.00
Building Expenses				
Electricity, Tel., Cable	\$ 2,492.60	\$ 2,200.00	\$ 3,135.66	\$ 3,100.00
Fuel/New Fire Station	\$ 7,946.15	\$ 8,000.00	\$ 2,955.26	\$ 6,000.00
Property/Liability Insurance	\$ -	\$ 1,250.00	\$ 3,368.10	\$ 3,500.00
Building Maintenance	\$ 510.03	\$ 575.00	\$ -	\$ 300.00
Water / Sewer Rents	\$ 938.22	\$ 750.00	\$ 78.12	\$ 700.00
Water & Sewer User Fees	\$ 715.08	\$ 800.00	\$ 815.44	\$ 800.00
Total Building	\$ 12,602.08	\$ 13,575.00	\$ 10,352.58	\$ 14,400.00
Other Expenses				
Mutual Aid Expense	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Dues / VSFA	\$ 372.00	\$ 375.00	\$ -	\$ 575.00
CVC Paging	\$ 510.00	\$ -	\$ 474.00	\$ 500.00
Legal & Outside Services	\$ 1,948.70	\$ 300.00	\$ -	\$ 300.00
Total Other	\$ 2,930.70	\$ 775.00	\$ 574.00	\$ 1,475.00
Total Operating Expenses	\$ 42,022.54	\$ 50,300.00	\$ 52,654.85	\$ 70,260.00
Reserve Funds				
Major Repairs	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
Equipment	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
Truck	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00
Operating Reserve	\$ (1,648.03)	\$ -	\$ (9,893.37)	\$ -
Total Reserve Funds	\$ 19,351.97	\$ 21,000.00	\$ 11,106.63	\$ 21,000.00
Revenue - Expenses	\$ -	\$ -	\$ -	\$ -
**Dispatch Services has been included but may not be needed				
TOTAL REQUESTED FROM TOWN	\$ 87,700.00			

VILLAGE OF BARTON
SCHEDULE OF RESTRICTED CASH
For the Year Ended December 31, 2016

Fire Department

<u>Restricted Purpose</u>	Balance <u>Jan 1, 2016</u>	Interest <u>Income</u>	<u>Additions</u>	<u>Withdrawals</u>	Balance <u>Dec 31, 2016</u>
Buildings	\$ 12,645.03	\$ 14.00	\$ 4,000.00		\$ 16,659.03
Equipment	\$ 48,884.79	\$ 46.18	\$ 6,000.00		\$ 54,930.97
Truck	\$ 19,952.93	\$ 26.02	\$ 11,000.00		\$ 30,978.95
	<u>\$ 81,482.75</u>	<u>\$ 86.20</u>	<u>\$ 21,000.00</u>	<u>\$ -</u>	<u>\$ 102,568.95</u>

**Barton Village, Inc
Fire Department
Balance Sheet**

**2015
Audited**

**2016
Unaudited**

Assets

Community Checking	25,709.59	18,474.95
Passumpsic Building Savings	12,645.03	16,659.03
Passumpsic Equipment Savings	48,884.79	54,930.97
Passumpsic Truck Savings	19,952.93	30,978.95
Due to Village Gen Fund	(27,728.95)	(34,310.94)
Buildings	- *	132,528.00
Vehicles	- *	445,770.00
Machinery and Equipment	- *	64,783.00
Land	- *	40,467.00
Accumulated Depreciation	- *	(273,145.00)
Total Assets	79,463.39	497,135.96

Liabilities

Accounts Payables	844.02	(1,298.52)
Total Liabilities	844.02	(1,298.52)

Equity

Fund Balance	59,544.09	488,455.04
Retained Earnings	(68,395.23)	(68,395.23)
Due to / Due from	(27,728.95)	(27,728.95)
Fund Balance - Designated/Specific	96,691.51	96,691.51
YTD Profit or Loss	18,507.95	9,412.11
Total Equity	78,619.37	498,434.48
Total Liabilities & Equity	79,463.39	497,135.96

* Fire Department assets moved in from Village Balance Sheet .

**Barton Village, Inc.
Wastewater Department
2017 Operating Budget**

	2015 Actual (Audited)	2016 Budget	2016 Actual Unaudited	2017 Proposed Budget
Operating Revenues				
Waste Water Customer Sales	\$ 334,959	\$ 282,880	\$ 270,931	\$ 266,221
Town of Glover Customer Sales	\$ 29,262	\$ 31,074	\$ 31,439	\$ 31,779
Penalties, Interest, Recoveries	\$ 2,987	\$ 1,100	\$ 2,735	\$ 1,080
Misc Income, Materials/Labor Sold	\$ -	\$ 500	\$ 596	\$ -
Total Operating Revenue	\$ 367,208	\$ 315,554	\$ 305,701	\$ 299,080

**Operating Expenses
Treatment Plant Labor**

Contract Operations (Utility Partners)	\$ 166,761	\$ 157,329	\$ 158,562	\$ 160,979
Subtotal	\$ 166,761	\$ 157,329	\$ 158,562	\$ 160,979

Labor Expenses (Village Employees)

Field Staff and meter reading	\$ 9,337	\$ 6,200	\$ 2,441	\$ 3,800
Office Staff	\$ 21,002	\$ 16,000	\$ 18,870	\$ 10,000
Officer's Salaries, Collector Fees	\$ 1,775	\$ 1,400	\$ -	\$ 900
Employee Benefits (Comp/Health/Ret.)	\$ 19,634	\$ 13,300	\$ 11,958	\$ 10,116
FICA/MEDI	\$ -	\$ 2,000	\$ 1,690	\$ 1,125
Unemployment Comp./Workers Comp., Liability	\$ 330	\$ 750	\$ 1,886	\$ 3,500
Subtotal	\$ 42,741	\$ 33,450	\$ 34,404	\$ 25,641

Total Labor Expense \$ 218,840 \$ 196,979 \$ 195,408 \$ 190,420

Other Expenses

Sewer Lines, Maintenance and Sludge in excess of U.P. Contract	\$ 6,358	\$ 8,300	\$ 1,571	\$ 2,500
Tools and Field Equipment	\$ -	\$ 1,000	\$ -	\$ 1,000
Utilities (WWTF/PS Power, Heat, Com's. Water)	\$ 31,625	\$ 36,700	\$ 34,192	\$ 40,400
Insurance (Property Liability and Equip. and Auto)	\$ 17,947	\$ 22,975	\$ 16,723	\$ 7,900
Municipal Building Office Rent	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Permits, Licenses, Dues and Training Fees	\$ 526	\$ 450	\$ 825	\$ 825
Office supplies, office equipment, dispatch, mileage	\$ 7,875	\$ 8,100	\$ 6,289	\$ 7,000
Audits	\$ 22,311	\$ 5,000	\$ 7,053	\$ 2,000
Legal Services/IT Services	\$ -	\$ 1,750	\$ -	\$ 500
Uncollectable/Write Offs/Abatements	\$ -	\$ 3,100	\$ -	\$ -
Utility Partners - Maintenance	\$ -	\$ 18,000	\$ 15,085	\$ 14,500
Utility Partners - Sludge disposal	\$ -	\$ 5,500	\$ 5,500	\$ 5,500
Consultants/Engineering	\$ -	\$ -	\$ -	\$ -
Total Other Operating	\$ 88,642	\$ 112,875	\$ 89,237	\$ 84,125

Total Operating Expenses \$ 307,482 \$ 309,854 \$ 284,645 \$ 274,545

Total revenues OVER (UNDER) Expenses	\$ 59,727	\$ 5,700	\$ 21,056	\$ 24,535
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Reserve

Backhoe Savings	\$ 2,700	\$ 2,700	\$ 2,700	\$ 2,700
Lagoon Cleanout/Sludge	\$ 3,000	\$ 3,000	\$ 3,000	\$ 12,000
Operating	\$ -	\$ -	\$ 15,356	\$ 9,835
Total Operating Reserve	\$ 5,700	\$ 5,700	\$ 21,056	\$ 24,535

**Barton Village, Inc.
Wastewater Department
Capital Budget**

2015 Actual (Audited)	2016 Budget	2016 Actual Unaudited	2017 Proposed Budget
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Revenue

Fees and Taxes

Property Taxes/Non-Profit User Fees (Voted)	\$ 45,069	\$ 56,150	\$ 47,287	\$ -
Glover Share (Loans for Joint Facilities*)		\$ 465	\$ 465	\$ 465
Penalties and Delinquent Taxes	\$ 4,154		\$ 79	
Total Revenue	\$ 49,223	\$ 56,615	\$ 47,832	\$ 465

Expenses

Tax Collector Fees (1%, raised, 85 delinquent)	\$ 451	\$ 451	\$ 451	\$ 566
Total Expenses	\$ 451	\$ 451	\$ 451	\$ 566

Loan Payments

SRF* Ln# RF1-125 (zero interest) Exp: 10/01/2018	\$ 5,096	\$ 5,096	\$ 5,096	\$ 5,096
SRF Ln# RF1-099 (zero interest) Exp: 4/1/2024	\$ 10,929	\$ 10,929	\$ 10,929	\$ 10,929
VT MBB** 2012, ***USDA Loan 3, Exp. 12/1/34	\$ 2,689	\$ 2,689	\$ 2,689	\$ 2,689
VT MBB 2012, USDA Loan 4, Exp. 12/1/36	\$ 1,310	\$ 1,310	\$ 1,310	\$ 1,310
VT MBB 2012, USDA Loan 5, Exp. 12/1/23	\$ 8,651	\$ 8,651	\$ 8,651	\$ 8,651
2012 Collection Improvements and Expansion and 2015 Facility Improvements* Exp. 7/20/42	\$ 20,405	\$ 20,405	\$ 20,405	\$ 20,405
Total Loans	\$ 49,080	\$ 49,080	\$ 49,080	\$ 49,080

Reserve

Capital Replacement (Major Replacements)	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
Total Reserve	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000

Total Requested Property Taxes and Non-Profit Property User Fees	\$ 56,150		\$ 57,181
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*SRF (State Revolving Fund)

**MBB (Municipal Bond Bank)

***USDA (United States Department of Agriculture)

VILLAGE OF BARTON
SCHEDULE OF RESTRICTED CASH
For the Year Ended December 31, 2016

Sewer Department

<u>Restricted Purpose</u>	<u>Balance</u> <u>Jan 1, 2016</u>	<u>Interest</u> <u>Income</u>	<u>Additions</u>	<u>Withdrawals</u>	<u>Balance</u> <u>Dec 31, 2016</u>
Debt Retirement	\$ 384.80			\$ 384.80	\$ -
Major Repairs	\$ 26,786.56	\$ 38.22	\$ 28,055.46		\$ 54,880.24
Backhoe	\$ 5,928.69	\$ 5.90	\$ 2,700.00		\$ 8,634.59
Sludge	\$ 17,049.50	\$ 9.96		\$ 17,059.46	\$ -
Capital Reserve	\$ 36,048.32	\$ 30.09	\$ 500.00		\$ 36,578.41 **
	<u>\$ 86,197.87</u>	<u>\$ 84.17</u>	<u>\$ 31,255.46</u>	<u>\$ 17,444.26</u>	<u>\$ 100,093.24</u>

**Error made in transfer during 2016, corrected in 2017. \$37,477.89 moved from old accounts, should have been \$36,069.36. Corrected to Village Capital Reserve which was under transferred.

**Barton Village, Inc
Waste Water Department
Balance Sheet**

	2015 Audited	2016 Unaudited
Community Checking	42,156.58	41,907.67
Merchants - Debt Retirement	384.80	-
People's - Major Repair	26,786.56	54,880.24
Community - Backhoe	5,928.69	8,634.59
People's - Capital Reserve	36,048.32	37,986.94
Community - Sludge Fund	17,049.50	-
Sewer Accts Receivable	34,197.23	31,539.83
Sewer Unbilled Revenue	26,708.13	-
Tax/User Fee Receivable	1,568.34	1,555.17
Allowance Doubtful A/C	(2,000.00)	(2,000.00)
Tax/user Fee Interest	(145.86)	(145.86)
Due to Other Funds	3,667.43	13,913.25
Note Receivable - Electric	20,000.00	20,000.00
Inventory	6,692.52	6,706.96
Land	30,000.00	-
Wastewater Systems Improvement	932,000.25	-
Wastewater Treatment Plant	3,934,217.31	6,520,079.12
Work in Progress/Engineer	672,108.87	-
CSO Project	990,902.69	-
Truck & Equipment	47,548.42	18,178.42
Deferred Outflows-Pension	4,905.00	4,905.00
Accm Depreciation/ Plant	(2,933,325.00)	(3,036,859.00)
Total Assets	<u>3,897,399.78</u>	<u>3,721,282.33</u>
Liabilities		
WWTP - Accts Payables	2,778.00	2,063.82
Due to Other Funds	312.38	312.38
Due from Other Funds	70,418.90	70,418.90
St. Revolving Loan RF1-125	15,288.00	10,192.00
VMBB 2012 Series 4 & 5	114,469.49	105,998.03
USDA/Improvement Loan #15	405,601.35	385,195.35
Accrued Interest	4,911.68	-
CNB/LOC Loan Note	-	-
Credits Available	-	3,192.23
Accrued Payroll	673.10	-
Net Pension Liability	10,577.00	10,577.00
Accrued Sick Time	3,401.89	1,241.85
Deffered Inflow - Pensions	698.00	698.00
Total Liabilities	<u>629,129.79</u>	<u>589,889.56</u>
Equity		
Fund Balance	-45196.85	99605.86
Retained Earnings	3,190,442.17	3,190,442.17
Due To/ Due From	(47,369.51)	(47,369.51)
(Profit) / Loss	170,394.18	(111,285.75)
Total Equity	<u>3,268,269.99</u>	<u>3,131,392.77</u>
Total Liability & Equity	<u><u>3,897,399.78</u></u>	<u><u>3,721,282.33</u></u>

**Barton Village, Inc.
Water Department**

	2015 Actual Audited	2016 Budget	2016 Actual Unaudited	2017 Proposed Budget
Operating Revenues				
Water Customer Sales	\$ 173,999	\$ 214,835	\$ 191,681	\$ 200,000
Penalties/Shut Offs, Interest, Recoveries	\$ 3,708	\$ 1,850	\$ 1,788	\$ 1,020
Misc. Income, Material/Labor Sold	\$ 454	\$ 500	\$ 2,998	\$ 700
Total Operating Revenues	\$ 178,160	\$ 217,185	\$ 196,467	\$ 201,720
Operating Expenses				
Treatment Plant Labor				
Contract Operations (Utility Partners)	\$ 93,329	\$ 79,560	\$ 83,446	\$ 85,532
Subtotal	\$ 93,329	\$ 79,560	\$ 83,446	\$ 85,532
Labor Expenses (Village Employees)				
Field Staff and Meter Reading	\$ 28,141	\$ 16,000	\$ 11,024	\$ 12,800
Office Staff	\$ 18,573	\$ 13,000	\$ 18,061	\$ 9,000
Officers Salaries and Collector Fees	\$ 1,755	\$ 1,400	\$ -	\$ 1,400
Employee Benefits (Comp/Health/Ret.)	\$ 20,204	\$ 16,500	\$ 12,246	\$ 9,902
FICA/MEDI	\$ -	\$ 3,200	\$ 2,134	\$ 1,050
Unemployment Comp./Workers Comp./ Liab	\$ 1,207	\$ 3,104	\$ 2,183	\$ 4,300
Total Labor Expense	\$ 69,880	\$ 53,204	\$ 45,649	\$ 38,452
Other Expenses				
Services,Line, Hyd. Supplies	\$ 9,733	\$ 14,000	\$ 5,596	\$ 5,000
Tools and Field Equipment	\$ 504	\$ -	\$ 193	\$ 200
Utilities (WTF Power, Heat, Com's.,Water)	\$ 7,954	\$ 7,600	\$ 7,444	\$ 7,800
Insurance (Property Liability and Equip. and Auto)	\$ 671	\$ 9,763	\$ 9,109	\$ 8,900
Municipal Building Office Rent	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Railroad Pipe Crossing Leases	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200
Permits, Licenses, Dues and Training Fees	\$ 1,270	\$ 2,000	\$ 1,787	\$ 2,050
Office supplies, office equipment, dispatch, mileage	\$ 8,700	\$ 8,500	\$ 6,287	\$ 6,500
Audits	\$ 20,560	\$ 3,000	\$ 6,764	\$ 1,500
Legal Services / IT Services	\$ -	\$ 3,750	\$ -	\$ 500
Uncollectable Accounts/Abatments	\$ 20	\$ 1,050	\$ -	\$ -
Utility Partners - Maintenance	\$ -	\$ 12,000	\$ 9,738	\$ 9,500
Consultants/Engineering	\$ -	\$ -	\$ -	\$ 10,000
2014-2015 Operating Loss Recovery Loan (10yr)		\$ 13,008	\$ 13,008	\$ 13,140
Total Other Operating	\$ 51,597	\$ 78,871	\$ 64,125	\$ 69,290
Total Operating Expenses	\$ 214,806	\$ 211,635	\$ 193,219	\$ 193,274
Total Revenue Over(Under) Expenses	\$ (36,645)	\$ 5,550	\$ 3,248	\$ 8,446
Reserve				
Meter Replacement	\$ -	\$ 1,000	\$ -	\$ 1,000
Backhoe Savings	\$ -	\$ 4,500	\$ -	\$ 4,500
Operating	\$ -	\$ -	\$ -	\$ 2,946
Total Operating Reserve	\$ -	\$ 5,500	\$ -	\$ 8,446

**Barton Village, Inc.
Water Department
Capital Budget**

**2015
Actual
(Audited)**

**2016
Budget**

**2016
Actual
Unaudited**

**2017
Proposed
Budget**

Revenue

Fees and Taxes

Property Taxes and Non-Profit User Fees*	\$ 43,682	\$ 65,385	\$ 64,540	\$ -
Build American Bonds/Interest	\$ 2,468	\$ 2,484	\$ -	\$ 2,400
Delinquent Taxes	\$ 4,213	\$ -	\$ -	\$ -
Total Revenue	\$ 50,363	\$ 67,869	\$ 64,540	\$ 2,400

Expenses

Tax Collector Fees (1%,Raised, 8% Delinquent)	\$ 437	\$ 500	\$ 645	\$ 650
Total Expenses	\$ 437	\$ 500	\$ 645	\$ 650

Loan Payments

Solar Mixer LN# AR3-038 Exp: 12/1/2040	\$ 554	\$ 554	\$ 554	\$ 554
2010-2011 Water System Improvements USDA Exp: 12/20/2050	\$ 27,508	\$ 27,508	\$ 27,508	\$ 27,508
VT MBB, Water Treatment Facility Exp: 12/01/2029	\$ 24,683	\$ 24,683	\$ 24,683	\$ 24,683
Capital Planning Loan Reimb. Note Exp:11/18/19	\$ 8,071	\$ 8,071	\$ 8,071	\$ 8,071
USDA - School St./West St. , Note Exp. 9/1/56	\$ 2,554	\$ -	\$ -	\$ 2,832
Total Loans	\$ 60,815	\$ 63,369	\$ 60,815	\$ 63,647

Reserve

Capital Replacement Fund (Major Replacements)	\$ 4,000	\$ 3,079	\$ 4,000
Total Reserve	\$ -	\$ 4,000	\$ 3,079

*Total Requested from Property Taxes and Non-Profit Property User Fees	\$ -	\$ 65,385	\$ -	\$ 65,897
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*SRF (State Revolving Fund)

**MBB (Municipal Bond Bank)

***USDA (United States Department of Agriculture)

VILLAGE OF BARTON
SCHEDULE OF RESTRICTED CASH
For the Year Ended December 31, 2016

Water Department

<u>Restricted Purpose</u>	<u>Balance</u> <u>Jan 1, 2016</u>	<u>Interest</u> <u>Income</u>	<u>Additions</u>	<u>Withdrawals</u>	<u>Balance</u> <u>Dec 31, 2016</u>
Debt Retirement	\$ 779.00			\$ 779.00	\$ -
Major Repairs	\$ 3,187.00	\$ 7.62	\$ 4,904.52		\$ 8,099.14
Meter	\$ 3,330.00	\$ 3.03		\$ 3,333.03	\$ -
Backhoe	\$ 960.00	\$ 0.46	\$ 4,500.00 *		\$ 960.46
Lagoon	\$ 903.00	\$ 1.52		\$ 904.52	\$ -
Capital Reserve	\$ 7,606.00	\$ 14.57	\$ 1,000.00 *		\$ 7,620.57 **
	<u>\$ 16,765.00</u>	<u>\$ 27.20</u>	<u>\$ 10,404.52</u>	<u>\$ 5,016.55</u>	<u>\$ 16,680.17</u>

**Error made in transfer during 2016, corrected in 2017. \$9,368.73 moved from old accounts, should have been \$7618.99. Corrected to Village Capital Reserve which was under transferred.

* Funds unable to be transferred in 2016 due to uncollected taxes.

Will transfer as funds come in in 2017.

Barton Village, Inc
Water Department
Balance Sheet

2015
Audited

2016
Unaudited

Assets

Community Checking	14,030.47	4,338.96
Water Cash Clearing	-	157.85
People's United- Capital Reserve Acct	7,614.55	9,370.31
Merchants - Debt Retirement	779.39	-
People's United - Major Repair	3,189.77	8,099.14
TD Bank - Meter Replacement	3,333.03	-
Community - Backhoe	959.50	960.46
CNB - Lagoons	903.99	-
Water Accounts Receivable	17,766.94	21,597.82
Accounts Receivable Mat	40.00	1,755.46
Allowance Doubtful A/C	(2,000.00)	(2,000.00)
Taxes / User Fee Receivable	1,606.72	2,707.92
Taxes / User Fees Interest	(133.43)	(133.43)
USDA Bonds Interest A/R	(2,490.46)	(2,490.46)
Water Unbilled Revenue	12,195.85	-
Due To/From Other Funds	-	17,376.47
Vehicles	20,251.00	18,501.00
Inventory / Materials	38,846.00	39,913.96
Water Plant - 1990	3,312,186.36	2,164,468.87
Water Distributions 2013	2,787,904.00	3,950,750.00
Computer Equipment	28,038.00	22,809.00
Accm. Deprec./ New Plant	(1,908,536.00)	(2,030,407.00)
Deferred Outflow - Pension	6,438.00	6,438.00
Total Assets	<u>4,342,923.68</u>	<u>4,234,214.33</u>

Liabilities

Water Accounts Payable	9,570.65	8,618.41
Due From Other Funds	(17,643.37)	(17,643.37)
Due to Other Funds	(14,795.87)	(14,795.87)
Vermont Sales Tax Payable	19.45	21.65
Restricted Line of Credit	143,753.19	(5,480.24)
State of VT/Solar Power LN# AR3-038	21,077.69	19,891.39
USDA/Plant Improvement LN# 17	663,810.37	651,162.95
School Street Bond	-	83,000.00
Vermont Municipal Bond Bank	266,855.47	251,913.01
CNB / Revenue Anticipation	115,000.00	108,290.25
Passumpsic/Tax Anticipation	23,437.80	15,751.26
Accrued Payroll	841.61	-
Accrued Sick Time	3,401.89	722.37
Net Pension Liability	14,002.00	14,002.00
Accrued Interest	3,757.41	(3,200.27)
Deferred Inflows - Pension	931.00	931.00
Total Liabilities	<u>1,234,019.29</u>	<u>1,113,184.54</u>

Equity

Fund Balance	57,170.75	(109,574.41)
Retained Earnings	3,218,067.04	3,218,067.04
Net PR Payable to Village	32,183.41	32,183.41
(Profit) / Loss	(198,516.81)	(19,646.25)
Total Equity	<u>3,108,904.39</u>	<u>3,121,029.79</u>
Total Liability & Equity	<u>4,342,923.68</u>	<u>4,234,214.33</u>

BARTON VILLAGE ELECTRIC DEPARTMENT 2016 YEAR END REPORT

To the Board of Trustees and the citizens of the Village of Barton, Vermont.

As I near the end of my first year at Barton Village I would like take the time to highlight some of the progress we've made over the past year in the electric department and give you a look into our plans for the upcoming year.

Many of the structures on the co-owned Barton/Orleans/VEC (Vermont Electric Cooperative) transmission line which stretches from the substation in Irasburg to our side tap located in Barton on Route 16 have been in need of replacement for quite some time. In 2016, we worked with Orleans and VEC to develop a plan to replace several structures and hired contractors to complete the work. This coming year and in the next several years we will continue to work with our partners to provide support for the replacement program until the stretch is fully upgraded.

The voltage regulators at our main substation on Baird Road (Heath Substation) were in need of replacement after many years of service. This past August the department took a night outage with Orleans Electric to replace these regulators. These new regulators will ensure proper voltage levels to the Barton and Orleans systems for many years to come. During the outage a switch and some structural members at the substation were identified for replacement. This year Barton and Orleans will take another night outage to replace these components and conduct other minor service work to the substation.

Throughout the system, Barton continued to install fuses on side taps in 2016. In addition to providing overcurrent protection, installing fuses on side taps facilitates isolation of areas under upgrade or repair so that power can continue to flow to surrounding areas thus minimizing customer interruption. This effort will continue for the next few years until all major side taps have fuses installed.

Barton also plans to begin the replacement of the step-down transformer bank in Brownington as this bank has been in need of replacement for some time. This year we will be focusing on rebuilding the supporting structure and equipment. Transformers will be installed in 2018.

This past year Barton also began to develop a GPS field asset management and tree/vegetation database. When complete, the system will contain the GPS coordinates of field assets (poles, transformers, fuses, switches etc.), their respective condition and any other pertinent information for the purpose of both prioritizing field asset replacement/repair and provide field asset information to linemen prior to executing emergency and planned service work. Additionally, the tree/vegetation database will contain information which will enable prioritization of vegetation maintenance for minimizing customer interruptions. Currently, we have just begun to record the coordinates and conditions of our poles and assets. We envision fully documenting the Barton system by mid to late summer.

Barton recently acquired a lease on a new meter truck and a rental agreement on a bucket truck as our current vehicles were in constant need of repair causing lost time and delays to delivery of services. Barton will be transitioning to a leased bucket truck this summer when the vehicle is ready at Terex. Toward the end of this year we will also be looking at replacing our digger truck as our current vehicle is nearing 25 years of service. In general, vehicles in the electric department were held onto beyond the optimal point in time where repair and lost time began to become counterproductive. Going forward Barton will be looking closer at determining the appropriate replacement intervals of vehicles and other major pieces of equipment to maximize service response and minimize cost.

In an effort to minimize meter reading costs we decided to develop a part time meter reading position. In the past, Barton had either a full time meter reader or employed linemen to cover meter reading responsibilities. Given the total time needed to read the routes in our system we feel a part time position will provide the best value to our customers. Additionally, this year we will also be looking at employing smart meters at customer locations which take excessive time to read so that readings can be taken either roadside or remotely thus reducing labor costs in the long term.

Lastly, at our hydroelectric plant in West Charleston we recently replaced our emergency backup batteries and are planning on electrical and mechanical inspections in 2017 to ensure plant reliability. To give you a little background on the facility, the plant has maximum output of 1.3MW (about 40% of Barton's peak load) and provides about 25% of Barton's annual energy consumption. The plant also provides transmission cost avoidance as plant production is employed as a load reducer on Barton's System.

I'm confident 2017 is going to be a good year for our electric department as we continue to make positive changes to improve how we do business to maximize service and reliability for our customers. If you should have any questions regarding electric service and/or billing my door is always open to our customers. Feel free to stop by and/or call.

Best Regards,
Evan Riordan
Electric Manager / Engineer

Barton Village Inc. Electric Department 2017 Operating Budget	2015 Actuals Audited	2016 Budget	2016 Actuals Unaudited	2017 Budget
Operating Revenue				
Residential Sales	1,759,519	2,124,649	2,074,954	2,050,000
Commercial Sales	490,744	597,525	577,955	571,000
Public Street Lighting	15,998	19,475	37,453	37,000
Public Authority	100,631	100,000	116,926	115,000
Municipal	39,147	49,741	50,614	50,000
Net Metering Sales Credit	(347)	(10)	-	-
Revenue Unbilled	-	(25,881)	-	-
Overbilled Revenue Refunds 4% Contingency	-	(20,200)	(21,736)	-
Total Sales Electricity	2,405,691	2,845,299	2,836,166	2,823,000
Other Operating Revenue				
Revenue Merchandising	1,811	5,500	28,962	12,000
Interest Income	516	200	424	-
Customer Acct Penalties	9,371	8,000	11,679	10,000
Vt Transco Net Benefit	-	-	-	-
Velco Stock Interest	8,660	8,660	8,660	9,000
VPPSA/Transco Net Credit	16,188	46,638	46,482	46,000
Disconnect / Reconnect	4,560	11,000	2,400	3,000
Rent of Electric Property	-	-	-	-
Misc Income	7,852	-	4,721	-
Department of Energy Hydro Incentive	30,263	-	47,373	19,000
Total Other Operating Revenues	79,221	79,998	150,701	98,000
Total Operating Revenues	2,484,912	2,925,296	2,986,867	2,922,000
Labor				
Office Staff	73,859	95,500	112,794	156,000
Interim Managers	117,762	-	-	-
Field Staff	272,775	260,500	243,500	225,000
Contractors (Line Clearing, Etc.)	4,871	50,000	37,320	50,000
Outside Consultants	76,351	5,000	57,258	30,000
Officer Salaries	892	945	-	-
Compensated Absences	58,403	70,000	53,263	60,000
Workers Compensation	34,207	29,000	31,576	40,000
Unemployment Insurance	1,732	1,800	-	3,000
FICA	29,915	37,000	31,132	31,000
Municipal Retirement	80,099	30,000	18,613	22,000
Health, Life and Disability	63,863	79,000	55,608	84,000
Total	814,728	658,745	641,063	701,000
Purchase Power				
VPPSA / Central Dispatch	1,215,311	1,354,025	1,233,067	1,177,000
VPPSA/Project 10	88,376	-	-	-
Total	1,303,687	1,354,025	1,233,067	1,177,000
System O&M Expenses				
Hydro Operating	7,353	5,000	6,177	5,000
Diesel Plant	-	-	-	-
Transmission	-	-	-	-
Miscellaneous Expense	3,031	3,000	80	-
Distribution Maintenance / Other	7,298	1,500	5,465	16,000
Transformers Maint/Other	1,032	3,700	4,168	2,000
Distribution Maintenance Street Lights	130	1,200	585	1,000
Total	18,845	14,400	16,475	24,000

Equipment Expense

Tools & Expenses	7,439	10,000	9,294	9,000
Truck and Backhoe Maintenance and Fuel	22,142	24,200	12,891	45,000
Transportation Expense	16,346	7,000	9,518	10,000
Vehicle Use Capital/Sold	(3,345)	3,500	-	(6,000)
Communication	-	500	1,127	1,000
Total	42,582	45,200	32,831	59,000

Administrative & General Expenses

Office Rent and Expense	32,074	30,000	31,065	35,000
Computer Expense	46,663	20,000	7,305	10,000
Customer Account Expense	19,258	17,000	19,196	18,000
Uncollectable Accounts	-	-	-	-
Ov/Head on Mt'l & Lbr Cap	(6,525)	7,000	669	-
Legal Services	44,476	20,000	14,449	7,000
VPPSA Admin Fees	32,093	33,000	37,408	51,000
Department of Public Service Fees	57	500	127	-
Property Package Insurance (Inc. Liability, etc.)	38,050	20,700	20,580	19,000
Public Official Liability Insurance	3,840	705	597	1,000
Village Utilities/Costs	8,400	11,650	8,400	8,000
General Miscellaneous Expense	6,955	9,000	19,231	20,000
Garage Rent (High St.)	5,600	5,600	5,600	6,000
Garage Rent (Municipal Lane)	13,697	14,050	13,358	13,000
Total Administrative & General	244,636	189,205	177,985	188,000

Other Expenses

Revenue and Fuel Taxes	12,103	23,000	23,251	23,000
PILOT (In Lieu Of Taxes to Barton Village Inc)	8,000	8,000	8,000	8,000
Town Taxes (Infrastructure Outside of Village)	118,889	128,053	127,373	129,000
Misc. Cost / Expense / Labor	641	3,500	-	-
Interest Expenses	3,852	300	15,978	4,000
Operating Reserve	-	-	-	50,000
Total Other Expense	143,485	162,853	174,603	214,000

Total Operation and Maintenance Expenses	2,567,964	2,424,428	2,276,024	2,364,000
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Replacement Funds

Capital Fund	-	82,226	159,366	93,000
Meter Truck	-	-	-	-
Line Truck	-	-	-	-
Bucket Truck	-	-	-	-
Digger Truck	-	-	-	-
Backhoe Savings	-	-	-	-
Total Replacement Savings	-	82,226	159,366	93,000

Debt Payments

VT Municipal Bond #3 Exp: 12/01/2017	109,349	113,446	103,665	103,000
VT Municipal Bond #4 Exp: 12/01/2028	183,646	189,069	189,703	191,000
VT Municipal Bond #5 Exp: 12/01/2041	116,777	116,128	101,304	104,000
Community National Bond #1 (Oper.)	-	-	-	60,000
Future Bond #2	-	-	-	6,000
Total Debt Retirement	409,772	418,643	394,672	465,000

Total Surplus /(deficit)	(492,824)	-	156,805	-
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Other Projects	2015 Actual	2016 Budget	2016 Actuals	2017 Budget
Prior Year Balance	audited		Unaudited	
Operating Line of Credit	900,000	-	-	-
Short-Term Loan for Hydro Improvements	200,000	-	-	-
Line of Credit Disbursements	(797,000)	-	-	-
Fish Passage	(157,000)	-	-	-
Hydro Automation	-	(43,000)	-	(43,000)
Hydro Batteries	-	-	-	(7,000)
Hydro Transformer Refill	-	-	-	(17,000)
Tank Removal	-	-	-	(3,000)
Hydro Mechanical Inspection	-	-	-	(29,000)
Hydro Electrical Inspection	-	-	-	(6,000)
Brownington Transformer Bank Rebuild 1	-	-	-	(7,000)
Heath Substation Repair	-	-	-	(3,000)
Proceeds from New Long Term Financing	-	1,100,000	-	-
Paydown Line of Credit and Short Term Loan	-	(1,100,000)	-	-
Regulator Project	-	(40,000)	(34,409)	-
H16 Transmission Project	-	(48,000)	(54,325)	(25,000)
Capital Projects / Inventory	(84,906)	-	(70,632)	(40,000)
Total	61,094	(131,000)	(159,366)	(179,000)

VILLAGE OF BARTON
SCHEDULE OF RESTRICTED CASH
For the Year Ended December 31, 2016

Electric Department

<u>Restricted Purpose</u>	<u>Balance</u> <u>Jan 1, 2016</u>	<u>Interest</u> <u>Income</u>	<u>Additions</u>	<u>Withdrawals</u>	<u>Balance</u> <u>Dec 31, 2016</u>
Debt Retirement	\$ 6,021.01	\$ 4.83			\$ 6,025.84
Vehicle Replacement	\$ 1,010.92	\$ 0.68			\$ 1,011.60
Capital Reserve	\$ 6,660.83	\$ 4.43			\$ 6,665.26
Backhoe	\$ 2,714.50	\$ 2.71			\$ 2,717.21
Hydro Plant Improvements	\$ 57,357.12	\$ 68.47		\$ 15,860.00	\$ 41,565.59
	<u>\$ 73,764.38</u>	<u>\$ 81.12</u>	<u>\$ -</u>	<u>\$ 15,860.00</u>	<u>\$ 57,985.50</u>

**Barton Village, Inc
Electric Department
Balance Sheet**

**2015
Audited**

**2016
Unaudited**

Assets

CWIP-Not Classified	702,082.00	-
Construction Work	114,712.09	-
Land & Right of Way	1,986.24	-
Structures Hydro	31,221.52	27,857.99
Reservoirs & Dams	989,347.17	988,143.00
Fishway / Penstock Replacement	143,190.00	159,050.00
Hydro Equipment	930,240.09	899,777.57
Hydro Improvements	191,224.32	186,037.00
Diesel Structures	56,491.91	-
Diesel Fuel Holders	18,513.68	-
Diesel Primer Movers	155,684.22	-
Transmission Right of Way	9,252.03	123,964.12
Transmission Substation Equipment	60,515.68	57,135.00
Transmission Pole Line & Fixtures	127,754.76	511,404.60
Transmission Overhead Conductors	3,939.35	435,417.38
Misc. Intangible Plant	17,960.80	-
Distribution Right of Way	2,716.06	2,716.02
Distribution Structures & Improvements	8,162.57	6,370.57
Distribution Substation Equipment	155,927.81	168,665.99
Pole Lines & Fixtures	2,120,530.05	2,116,527.25
Distribution Overhead Conductors/Devices	1,819,629.52	1,819,629.52
Underground	69,608.00	69,608.00
Line Transformers/Regulators	751,575.88	751,575.88
Services	336,818.45	628,918.32
Meters	121,973.34	120,969.68
Install - Customer Premises	1,688.92	-
Street Lights	37,798.02	37,798.02
DSM / Residential	87,999.07	87,999.07
DSM Farms	28,266.84	28,266.84
DSM / Commercial	52,517.88	52,517.88
DSM O/H	13,153.02	13,153.02
Structures & Improvements	31,064.38	25,393.38
Furniture & Fixtures	120,330.10	108,968.10
Trucks & Equipment	371,289.13	281,819.34
Tools & Equipment	78,479.41	12,220.00
Communication Equipment	7,571.65	-
Total Assets	9,771,215.96	9,721,903.54

Less Depreciation

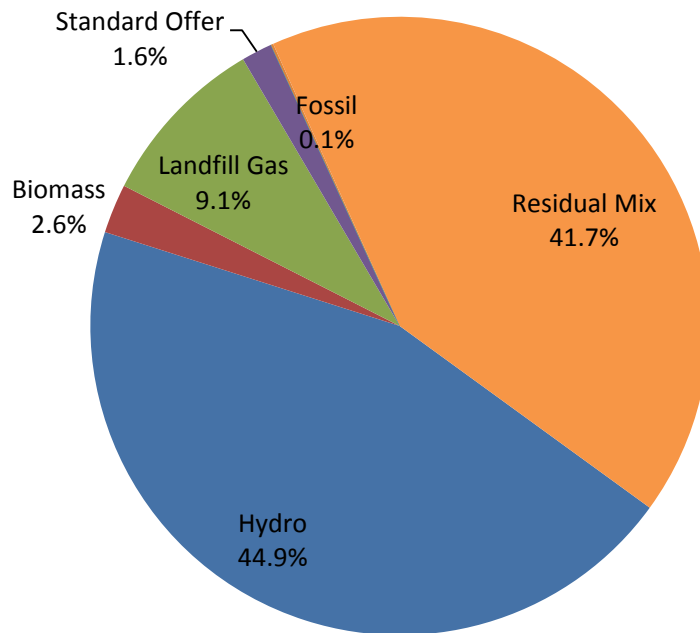
Accum. Depreciation-Not Classified	(48,609.58)	-
Accum. Depreciation / Hydro Structures	(26,812.44)	(25,292.77)
Reservoirs & Dams	(586,750.50)	(610,386.32)
Hydro Equipment	(519,439.29)	(528,610.10)
A / D Hydro - Relicensing	(55,568.02)	(58,831.76)
Diesel Structures	(51,258.94)	-
Diesel Fuel Holders	(18,513.68)	-
Diesel Equipment	(152,546.56)	-
Substation Equipment	(57,763.01)	(55,340.30)
Pole Line & Fixtures	(99,632.52)	(142,418.79)
Transmission Overhead Conductors	(2,050.97)	(48,798.88)
Amort Other Elec Plant	(7,274.07)	-
Structure Improvement	(5,136.72)	(3,663.25)
Substation Equipment	(71,410.26)	(65,045.57)
Pole Line & Fixtures	(1,324,185.36)	(1,365,090.32)
Overhead Conductors & Devices	(942,693.63)	(995,682.79)
A/D Underground	(41,373.36)	(42,226.77)
Transformer & Regulators	(360,138.93)	(382,010.31)
Services	(220,943.61)	(448,753.88)
Meters	(78,784.08)	(81,578.91)
A/D Install Customer Premise	(827.09)	-
Street Lights	(30,208.81)	(30,613.66)
DSM / Residential	(87,999.07)	(87,999.07)
DSM / Farms	(28,266.84)	(28,266.84)
DSM / Commercial	(52,517.88)	(52,517.88)
DSM/ Commercial	(13,153.02)	(13,153.02)
Structures & Improvements	(15,083.82)	(14,958.79)
Furniture & Fixtures	(93,894.97)	(92,594.35)
Trucks & Equipment	(331,560.86)	(267,939.61)
Tools & Equipment	(70,587.68)	(10,753.67)
Communication Equipment	(6,776.79)	0.80
Total Depreciation	(5,401,762.36)	(5,452,526.81)
Net Utility Plant	4,369,453.60	4,269,376.73

Balance Sheet Cont'd	2015	2016
Current & Accrued Assets	Audited	Unaudited
Community - Checking	96,463.41	85,317.24
Cash UB Clearing	-	28,339.57
Investment Velco Stock	74,200.00	74,200.00
Investment VPPSA/Transco	274,278.18	357,743.98
Cash in Office	575.00	575.00
Petty Cash	100.00	100.00
TD Bank / Bond Proceeds	111,797.58	-
Union Bank / Vehicle Saving	1,010.92	1,011.60
TD Bank / Debt Retirement	6,021.01	6,025.84
Hydro Project Holding Account	57,357.12	41,565.59
Community / Backhoe	2,714.50	2,717.21
People's United / Capital Reserve Savings	6,660.83	6,665.26
US Bank/Bond 4 Cont Reserv	286,010.27	305,447.62
US Bank/Bond Interest A/C	9,041.38	7,608.19
US Bank/Bond Principal	8,355.60	8,333.79
Accounts Receivable / Energy	306,929.27	460,428.95
Accounts Receivable / Materials	10,019.55	9,151.81
Note Receivable / Line Extension	2,252.56	2,252.56
Unbilled Revenue	109,280.11	
Est/U-Billed Telco 1/2 Interest	5,530.54	5,530.54
Receivable Account	78.00	78.00
Accounts Receivable/Other	(211.39)	(211.39)
Account Receivable/Fairpoint 1/2 Interest/Pole	84.10	84.10
Account Receivable/Orleans Village 1/2 Share/Transformer	1,200.00	1,200.00
Account Receivable/Utility Partners	320.75	320.75
Prov Uncollectable Acct	(17,456.54)	(17,456.54)
Account Receivable/Barton Village General	9,485.60	9,485.60
Account Receivable/Barton Village Water	606.80	606.08
Account Receivable/Barton Village Wastewater	530.81	530.81
Inventory	83,975.54	129,013.86
Inventory / Diesel Fuel	2,692.79	2,692.79
Transformer Inventory	28,280.00	37,565.00
Other Inventory - Lumber	3,194.58	3,194.58
Deferred Outflows - Pension	56,719.00	56,719.00
13 Deffered Storm Damage	5,806.19	5,806.19
Total Current Assets	1,543,904.06	1,632,643.58
Total Assets	5,913,357.66	5,902,020.31

Liabilities & Capital		
Bank of New York / Bond #5	1,700,000.00	1,660,000.00
Bank of New York / Bond #4	1,720,000.00	1,620,000.00
Bank of New York / Bond #3	205,000.00	105,000.00
CNB/\$900K Op. Refund 10/16	-	900,000.00
CNB/LOC Loan #2	300,000.00	-
CNB/Revenue Anticipation	600,000.00	-
CNB Hydro Loan	200,000.00	200,000.00
Overbill Refunds Payable	(74.39)	(3,864.31)
Accounts Payable	231,305.72	219,165.66
Due to Other Funds		(221,944.24)
Credit Card Fees Payable	107.41	107.41
Accounts Payable Fairpoint 1/2 Interest	4,556.00	4,556.00
Customer Deposits	23,374.92	50,895.91
VT Sales Tax	610.82	595.98
EEC	(17,052.37)	8,753.23
Gross Revenue Tax Payable	24.46	24.46
Accrued Interest	12,808.94	(2,077.96)
Accrued Payroll	4,801.35	
Accrued Sick Time	28,789.66	34,600.50
Customer Advance / Construction	14,013.28	14,013.28
Deferred Cr - Refinancing	4,116.68	4,116.68
Deferred Inflows - Pension	8,143.00	8,143.00
Net Pension Liability	122,903.00	122,903.00
Regulatory Liab/FERC-VELCO	2,699.85	2,699.85
Total Current Liabilities	5,166,128.33	4,727,688.45
Proprietary Capital		
Fund Balance	-	(586,013.26)
Retained Earnings	1,436,553.40	1,436,553.40
YTD (Profit) / Loss	(689,324.07)	323,791.72
Total Proprietary Capital	747,229.33	1,174,331.86
Total Liabilities & Capital	5,913,357.66	5,902,020.31

Barton 2016 Fuel Mix

(BEFORE the sale of RECs)



Resource	2016 Max Qualified Capacity (kW)	2016 kWh	Type	Description	Fuel	Location	Expiration
NYPA	309	2,165,782	ATC	Block Power	Hydro	Roseton Interface	Varies
VEPPI	48	297,482	Varies	PURPA Units	Wood/Hydro	Various VT nodes	Varies
Hydro Quebec	800	693,620	Dispatchable	Dispatched	Hydro	HQHighgate120	-
Barton Hydro	0	4,091,374	Run of River	Hydro	Hydro	Irasburg48	Life of Unit
Barton Diesel	0	0	Peaker	Diesel	Oil	Irasburg48	Life of Unit
Fitchburg	250	1,462,536	ATC	Landfill Gas	Landfill Gas	Ashbrnhm115	2026 (extendable to 2031)
P10	1,032	20,899	Peaker	Dispatched	Fuel Oil	UN.HIGHGATE13.8 SWC1	Life of Unit
Ryegate	55	416,775	ATC	Dispatched	Biomass	UN.BARRE_VT34.5 RYGT	2022
Standard Offer	3	259,644	Varies	In-State Renewable	Various Renewable	Varies	Varies
Market Contracts	N/A	6,732,338	Daily, monthly	ISO-NE; bilateral	System Mix	Mass Hub	Varies from 2009-2017

