Barton Village, Inc.

BASIC FINANCIAL STATEMENTS

December 31, 2023

Barton Village, Inc.
TABLE OF CONTENTS
December 31, 2023

KBS
Kittell Branagan & Sargent
Certified Public Accountants
Vermont License # 167

INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Barton Village, Inc., as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Barton Village, Inc.'s basic financial statements as listed in the table of contents.

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, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Barton Village, Inc., and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

154 North Main Street, St. Albans, Vermont 05478 | P 802.524.9531 | 800.499.9531 | F 802.524.9533
www.kbscpa.com

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Barton Village, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Barton Village, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information on page 44, the schedule of the proportionate share of the net pension liability on page 46 and the schedule of contributions on page 47 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Kittell, Branagan & Sargent

St. Albans, Vermont
June 25, 2024

Introduction to the Management's Discussion and Analysis (MD & A)

This annual financial report consists of two parts: The Management's Discussion and Analysis (M D & A), and the independent auditor's report which includes the financial statements for the fiscal year that ended on December 31, 2023.

The purpose of this section of Barton Village's (the Village) annual financial report (the M D & A) is to provide the reader with a summary of the Village's financial performance and any significant events that occurred within the organization that may or may not have had an impact on that financial performance. The MD & A is intended to be a less comprehensive, reader-friendly synopsis that is understandable to all readers, not only those with a financial background.

The section following the MD & A is the independent auditor's report that provides a comprehensive look at the Village's Government-Wide financial statements and the Village's Fund Financial Statements.

Together, the MD & A, independent auditor's report and the financial reports illustrate the Village's overall financial status and/or performance and should be read in conjunction with one another.

Financial Highlights:

- Assets exceeded liabilities on December 31, 2023, by $10,253,068 (net position), of which $1,824,711 (unrestricted net position) may be used by the various proprietary and governmental Village funds to meet respective ongoing obligations.

- In 2023, the Village's total net position increased by $321,576. Of this amount, net position attributable to governmental activities increased by $44,511, and net position attributable to business-type activities increased by $277,065.

- The General Fund had an unassigned fund balance at December 31, 2023 of $241,483.

- The Village paid down debt in the amount of $336,404 and added debt of $6,870.

Village Report Types and Descriptions

The Village's financial statements reported in the independent auditor's report are a combination of reports related to the Government as a whole and those related to specific funds and/or activities. A list of the various reports along with a brief description of each is listed below:

Government-Wide Financial Statements include a look at both long term and short-term information about the Village's overall status. These government-wide financial statements specifically represent government activities of the Village that are principally supported by state and federal sources, intergovernmental revenues such as operating grants, and revenue raised from the local tax base.

The **Statement of Net Position** presents information that includes all of the Village's assets and liabilities, with the difference in the two groups reported as the Village's "net position". The change in net position is one way to measure the Village's ***financial*** health. This financial information along with other non-financial factors such as diversification of the taxpayer base, the continued financial support of state and federal governments, and the condition of the Village's infrastructure should be considered when determining the state of the Village's overall condition.

The **Statement of Activities** reports how the Village's net position changed during the current fiscal year. All current-year revenues and expenditures are included regardless of when cash is received or paid. An important purpose for 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 a specific unit where resources are segregated for a specific activity or objective. The Village uses ***funds*** to ensure 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.

Governmental Fund Financial Statements encompass essentially the same functions reported as governmental activities in the government-wide financial statements; however, unlike government-wide statements that focus on the long-term view, governmental fund statements focus on near-term resources available for spending. These statements illustrate short-term accountability in the use of such resources and the balances of such resources at the end of the fiscal year. These statements 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 is a long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The Governmental Funds financial reports are 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.

Fiduciary Funds are used when the Village is the trustee, or fiduciary, for certain funds that - because of a trust arrangement - can be used only for the trust beneficiaries, not to fund general Village operations. The Village is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All fiduciary activities are excluded from government-wide financial statements and reported in a separate Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. As of December 31, 2023, the Village did not maintain any fiduciary funds.

Proprietary Funds are funds used by the Village related specifically to business-type activities in the government-wide statements. Village Proprietary funds include electric, water, and wastewater enterprise funds.

The Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds shows the operating and non-operating revenue and expenses during the fiscal year 2023 specific to each proprietary fund. The results of operations are the change in net position, which added to the prior year net position is the new net position.

The Statement of Cash Flows - Proprietary Funds identifies cash flow activities from operations, investments, and the financing activities of the Village proprietary (business-type) funds during 2023.

Notes to Financial Statements provide additional information essential to a full understanding of the government-wide and fund financial statements.

Budgetary Comparison Schedule provides information related to the actual vs budget results for the General Fund.

Overview of the Village's Financial Statements

An overview of the Village's Government-wide Statement of Net Position and Government-wide Statement of Activities and corresponding notes for the period ending December 31, 2023, are shown below.

2023 Summary of Net Position

	Governmental Activities	Business-Type Activities	Total
Current and other assets	1,268,132	2,929,722	4,197,854
Capital Assets, net	1,700,124	9,874,018	11,574,142
Total assets	2,968,256	12,803,740	15,771,996
Deferred outflows of resources	15,824	44,619	60,443
Total Assets and Deferred Outflows	**2,984,080**	**12,848,359**	**15,832,439**
Current liabilities	342,917	963,407	1,306,324
Long-term liabilities	307,249	3,911,268	4,218,517
Total liabilities	650,166	4,874,675	5,524,841
Deferred inflows of resources	14,276	40,254	54,530
Total Liabilities and Deferred Inflows	664,442	4,914,929	5,579,371
Net Position			
Net Investment in capital assets	1,405,832	6,465,117	7,870,949
Restricted	-	557,408	557,408
Unrestricted	913,806	910,905	1,824,711
Total net position	2,319,638	7,933,430	10,253,068
Total Liabities, Deferred Inflows and Net Postion	**2,984,080**	**12,848,359**	**15,832,439**

The statement of net position shows the total assets and liabilities (current and long-term) for both the Government (Village and Highway) and the Business-Type activities (Electric, Water, Wastewater). Total net position represents the net value of the Village (assets greater than liabilities).

The Village's net position of $10,253,068 represents an increase of $321,576 from December 31, 2023, net position of $9,931,492.

The net position of the Village General Fund is not restricted by state law and is available for spending at the Village's discretion. However, $593,007 of the General Funds are assigned for the following purposes:

Assigned General Fund Balance as of 12/31/2023

	Balance Dec 31, 2023
Barton Memorial Building	$ 11,416
Sidewalks/Hydrants	$ 3,649
Future Grant Matching	$ 52,173
Tractor/Truck/Backhoe	$ 117,109
Paving	$ 209,423
Parks and Recreation	$ 39,215
Containment Tank	$ 22,850
Capital Reserves	$ 42,699
Garage	$ 53,110
Fire Department Building	$ 41,363
	$ 593,007

2023 Capital Assets, Upgrades and Improvements. At the end of 2023, the Village had net capital assets of $11,574,142 invested in a broad range of capital assets (e.g. land, buildings and improvements, park facilities, roads, bridges, electrical infrastructure, water and sewer lines, furniture and equipment). The capital additions of $489,203 in 2023 are summarized on the following page.

2023 Capital Asset Additions			
Village:			
BMB Furnance Replacement		80,148	
		-	
	Subtotal Village		$ 80,148
Highway:			
Salt/Sand Shed		12,291	
International Truck w/Body Upgrade		9,536	
		-	
	Subtotal Highway		$ 21,827
Electric:			
Hydro Bldg Roof/Diesel Bldg Retirement		52,100	
Hydro Equipment		29,846	
Distribution Upgrades		153,547	
Transformers		60,295	
	Subtotal Electric		$ 295,788
Water:			
Station Equip-Var Frequency Drives/Flow Meter		17,097	
	Subtotal Water		$ 17,097
Wastewater:			
Perimeter Fencing		10,300	
Alarm System		9,450	
Blow-Off Pit and Pumps Rebuild		54,594	
	Subtotal Wastewater		74,343
	TOTAL		$ 489,203

Short-Term Debt. As of December 31, 2023, the Village did not have any outstanding short-term debt.

Long Term Debt. In 2023 a total of $336,404 of debt principal was paid. One (1) new loan was added in the amount of $6,840. At the end of 2023, the Village had a total long-term debt outstanding of $4,353,396 excluding pension liabilities.

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

2023 Summary Statement of Activities

	Governmental Activities	Business-Type Activities	Total
Total Revenues			
Program revenues: Charges for services	$ 107,878	$4,124,075	$ 4,231,953
Operating grants and contributions	$ 196,067	105,351	301,418
Capital grants and contributions	2,767	-	2,767
Property taxes, penalties and interest	411,980	-	411,980
Investment income	3,872	231,899	235,771
Transfers			-
Other revenue	1,435	149,793	151,228
Total revenues	$ 723,999	$4,611,118	$ 5,335,117
Expenses			
Governmental Activities:			
General government	77,519		77,519
Public safety	15,612		15,612
Public works	557,149		557,149
Culture and recreation	31,188		31,188
(Gain) Loss on Dsiposal of Capital Assets	(1,980)	(88,900)	(90,880)
Debt Service			-
Business-Type Activities:			-
Electric Fund		3,405,506	3,405,506
Water Fund		412,976	412,976
Wastewater Fund		604,471	604,471
Total expenses	$ 679,488	$4,334,053	$ 5,013,541
Change in net position	44,511	277,065	321,576
Net position, beginning of year	2,275,127	7,656,365	10,387,019
Net position, end of year	$ 2,319,638	$7,933,430	$ 10,253,068

The Summary Statement of Activities identifies the revenues and expenses that occurred during the year. Revenues include fees for services, property tax receipts, grants, investment income, and miscellaneous income. Expenses in the governmental section include the cost of general village operations, community activities and maintaining highways. The expenses in business-type activities include the operations and maintenance of each of those specific funds – electric, water and wastewater.

Highlights of 2023 Village Operations *(both government and business-type activities).*

1. During 2023 the Village operated within budget and funded all budgeted reserves.

2. The Village hired two new employees and filled an open position in 2023. The Village hired a Business Manager to assist with the day-to-day operations of the Village and a DPW Utility Worker that primarily works in the Highway Dept while assisting at the Wastewater plant. In response to the departure of the current Wastewater Operator, the Village subsequently sought and ultimately hired a Domestic Grade II Pollution Abatement Facility Operator.

3. Pageant Park was not attended as typically in past years (due to the rainy year) and the year ended with expenses exceeding revenues by $670.

4. In 2023, the Village did not receive any additional payments related to the American Rescue Plan Act (ARPA). The previous ARPA funds received totaled $192,255. Approximately $10,575 of these funds were allocated in CY2021, $43,516 allocated in CY2022 and $138,163 allocated in CY 2023. The projects funded in CY 2023 include $44,877 for the BMB furnace, $17,097 for a main flow meter at the water plant and $76,189 for three projects at the wastewater plant [fencing, alarm system and blowoff pit pumps].

5. The Village previously applied for a grant with the USDA for a community facility grant to replace salt and sand storage facilities and move them from their location on High St., one mile to the site of the current highway garage site at municipal lane. Due to the delay in the project construction, the cost increased significantly. As a result, construction was further delayed, and the Village submitted a second grant application for the cost overrun. The Village continues to work with USDA to maintain the original grant funding and to determine the status of the second application, in an effort to move this project forward.

6. The Village experienced significant flooding and related damages in the summer of 2023. To date, FEMA has obligated $10,428 ($6,557 for Water and $3,871 for Wastewater) and further funding is expected as the application process continues. In addition, FEMA obligated $28,151 for the Village's application related to Storm Elliott that occurred in December 2022. The funds obligated in 2023 were received in January 2024.

7. The water department continues to be operating by a part-time Water Operator. Several projects were completed in 2023 including the installation of a main flow meter and the installation of variable frequency drives. Plant improvements will continue each year as funds allow.

8. The wastewater treatment facility realized several upgrades in many areas, including: perimeter fencing, replacement and installation of an old alarm system and repairs/upgrades to the blowoff pit and pumps.

9. On June 12, 2023, the Village retained Aldrich and Elliott, an engineering firm, to facilitate the engineering study and analysis to recommend the necessary upgrades needed at the wastewater facility.

10. The Village entered into a new Operations Service Agreement with the Vermont Public Power Supply Authority (VPPSA) to provide 24/7 utility coverage starting July 24, 2023. Through this contract, Barton will receive a dedicated line crew provided by Orleans Electric. During 2023, the crew provided much needed line maintenance and upgrades to the infrastructure, as well as a significant amount of make-ready work to accommodate two broadband companies coming to the area.

11. The hydro facility continues to be operated by a part-time manager who has undertaken several tasks this year including:

    1) the continued work towards environmental cleanup of the facility

    2) retirement of the old diesel building

    3) the replacement of the hydro building roof (started in 2022 and completed in 2023)

    4) a comprehensive inspection and recommendation for the penstock pipes that lead to the turbine units

The penstock at the hydro will need major repairs in the near future – this will require approval from both the Public Utility Commission and the Village voters.

12. In 2022, the Village was notified by the State of Vermont that polychlorinated biphenyls (PCB's) where found above action levels on the adjacent property to the Villages former electric department storage area. The Village engaged a consulting engineer to respond to the State of VT notification and to prepare a work plan to address. An initial assessment was completed in the fall of 2021 with onsite soil samples and test wells on the Village property. Subsequently a report was prepared and approved by the State of Vermont for further testing in 2022. This work has been ongoing throughout 2023 and will continue into 2024.

13. The Village negotiated a 3-year contract with IBEW that expires on December 31, 2025.

14. ***Subsequent Events***

There were no subsequent events.

Request for Information

This report is designed to provide an overview of the Village's finances. Questions concerning any of the information found in this report or requests for additional information should be directed to:

Barton Village, Inc.
PO Box 519
17 Village Square
Barton, Vermont 05822
Phone: (802) 525-4747

Barton Village, Inc.
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
December 31, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS			
Cash	$ 1,136,956	$ 225,415	$ 1,362,371
Restricted Cash	-	369,771	369,771
Receivables, net of allowance for doubtful accounts	119,589	843,641	963,230
Inventory	-	198,103	198,103
Prepaid Expenses	11,587	18,340	29,927
TOTAL CURRENT ASSETS	1,268,132	1,655,270	2,923,402
CAPITAL ASSETS, net	1,700,124	9,874,018	11,574,142
OTHER ASSETS			
Investments	-	1,274,452	1,274,452
DEFERRED OUTFLOWS OF RESOURCES- Pension	15,824	44,619	60,443
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 2,984,080	$ 12,848,359	$ 15,832,439
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
CURRENT LIABILITIES			
Accounts Payable	$ 274,261	$ 102,866	$ 377,127
Cash Overdraft	-	270,100	270,100
Accrued Payroll and Benefits Payable	24,705	20,414	45,119
Customer Deposits and Advances	17,260	220,820	238,080
Pollution Remediation Obligation	-	35,962	35,962
Current Portion Notes and Bonds Payable	26,691	313,245	339,936
TOTAL CURRENT LIABILITIES	342,917	963,407	1,306,324
LONG-TERM LIABILITIES			
Pension Liability	39,648	165,411	205,059
Notes and Bonds Payable, less current portion	267,601	3,745,857	4,013,458
TOTAL LONG-TERM LIABLITIES	307,249	3,911,268	4,218,517
TOTAL LIABILITIES	650,166	4,874,675	5,524,841
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows- Pension	14,276	40,254	54,530
NET POSITION			
Net Investment in Capital Assets	1,405,832	6,465,117	7,870,949
Restricted	-	557,408	557,408
Unrestricted	913,806	910,905	1,824,711
NET POSITION	2,319,638	7,933,430	10,253,068
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 2,984,080	$ 12,848,359	$ 15,832,439

See Accompanying Notes to Basic Financial Statements.

Barton Village, Inc.
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2023

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Revenues	Capital Grants and Revenues	Governmental Activities	Business-Type Activities	Total
Functions/Programs							
Governmental Activities							
General Government	$ 77,519	$ 16,650	$ 138,225	$ -	$ 77,356	$ -	$ 77,356
Public Safety	15,612	-	-	-	(15,612)	-	(15,612)
Public Works	513,549	42,276	56,684	2,767	(411,822)	-	(411,822)
Memorial Building	43,600	23,087	-	-	(20,513)	-	(20,513)
Village Community Activities	674	-	-	-	(674)	-	(674)
Pageant Park	26,535	25,865	-	-	(670)	-	(670)
Recreation Field	2,294	-	-	-	(2,294)	-	(2,294)
River Green	1,685	-	1,158	-	(527)	-	(527)
Total Governmental Activities	681,468	107,878	196,067	2,767	(374,756)	-	(374,756)
Business-type Activities:							
Water Fund	412,976	308,610	23,655	-	-	(80,711)	(80,711)
Wastewater Fund	604,471	364,145	81,696	-	-	(158,630)	(158,630)
Electric Fund	3,405,506	3,451,320	-	-	-	45,814	45,814
Total Business-Type Activities	$ 4,422,953	$ 4,124,075	$ 105,351	$ -	-	(193,527)	(193,527)
General Revenues:							
Property Taxes					411,176	-	411,176
Penalties and Interest on Delinquent Taxes					804	-	804
Unrestricted Investment Earnings					3,872	231,899	235,771
Gain/(loss) on Disposal of Capital Assets					1,980	88,900	90,880
Rent Income					-	27,678	27,678
Other Revenues					1,435	122,115	123,550
Total General Revenues					419,267	470,592	889,859
Change in Net Position					44,511	277,065	321,576
Net position, Beginning of Year					2,275,127	7,656,365	9,931,492
Net position, End of Year					$ 2,319,638	$ 7,933,430	$ 10,253,068

See Accompanying Notes to Basic Financial Statements.

Barton Village, Inc.
FUND FINANCIAL STATEMENTS
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2023

	General Fund
ASSETS	
CURRENT ASSETS	
Cash	$ 1,136,956
Receivables, net of allowance for doubtful accounts	26,506
Prepaid Expenses	11,587
TOTAL CURRENT ASSETS	1,175,049
TOTAL ASSETS	$ 1,175,049
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	
LIABILITIES	
Accounts Payable	$ 274,259
Accrued Payroll and Benefits Payable	24,707
Customer Deposits and Advances	9,006
TOTAL LIABILITIES	307,972
DEFERRED INFLOWS OF RESOURCES	
Unavailable Property Taxes, Penalties and Interest	21,000
TOTAL DEFERRED INFLOWS OF RESOURCES	21,000
FUND BALANCE	
Nonspendable	11,587
Assigned	593,007
Unassigned	241,483
TOTAL FUND BALANCE	846,077
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	$ 1,175,049

See Accompanying Notes to Basic Financial Statements.

Barton Village, Inc.
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2023

Total fund balances - governmental funds	$	846,077
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.		
Capital Assets- governmental fund expenditures		1,700,124
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Anticipated FEMA Funding		93,083
Reserve for non-current tax		21,000
Long-term and accrued liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Notes payable		(294,292)
Customer deposits		(8,254)
Pension Liability		(39,648)
Deferred outflows of resources represent the consumption of net assets that is applicable to a future reporting period and therefore not reported as assets in the funds.		15,824
Deferred inflows of resources represent the acquisition of net assets applicable to a future reporting period and therefore are not reported as liabilities in the funds.		(14,276)
Total net position - governmental activities	$	2,319,638

See Accompanying Notes to Basic Financial Statements.

Barton Village, Inc.
FUND FINANCIAL STATEMENTS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2023

	General Fund
REVENUES	
Property Tax	$ 411,176
Interest on Delinquent Taxes	306
Penalties on Delinquent Taxes	498
State Street Aid	59,451
Federal ARPA Grant	43,482
Municipal Building Rent	65,363
Intergovernmental Revenues	16,650
Pageant Park Fees	25,865
Investment Income	3,872
Other	3,415
TOTAL REVENUES	630,078
EXPENDITURES	
General Government	53,540
Public Works	449,037
Memorial Building	45,143
Village Common	2,351
Pageant Park	28,199
Recreation Field	111
River Green	527
Fire Department	743
Capital Outlay	99,167
Debt Service	27,656
TOTAL EXPENDITURES	706,474
EXCESS OF REVENUES OVER EXPENDITURES	(76,396)
OTHER FINANCING SOURCES (USES)	
Transfers	(93,286)
NET CHANGE IN FUND BALANCE	(169,682)
FUND BALANCE, Beginning of Year	1,015,759
FUND BALANCE, End of Year	$ 846,077

See Accompanying Notes to Basic Financial Statements.

Barton Village, Inc.
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2023

Net change in fund balances - governmental funds	$	(169,682)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Depreciation Expense		(105,798)
Capital Outlay		99,168
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Deferral of Grants and Deposits		189,187
Increase in the reserve for non-current taxes		1,544
Issuance and repayment of long-term debt are revenue and expenditures in the governmental funds, but the issuance and repayment increase and decrease long-term liabilities in the statement of net assets.		
Repayment of long-term debt		27,656
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Pension Expense		2,436
Change in net position of governmental activities	$	44,511

See Accompanying Notes to Basic Financial Statements.

Barton Village, Inc.
FUND FINANCIAL STATEMENTS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
December 31, 2023

	Water Fund	Wastewater Fund	Electric Fund	Total
ASSETS AND DEFERRED OUTFLOWS				
CURRENT ASSETS				
Cash	$ 136,869	$ 51,405	$ 37,141	$ 225,415
Restricted Cash	-	-	369,771	369,771
Accounts Receivable, net of allowance for doubtful accounts	60,947	79,761	702,933	843,641
Inventory	35,048	10,387	152,668	198,103
Prepaid Expenses	4,740	7,716	5,884	18,340
TOTAL CURRENT ASSETS	237,604	149,269	1,268,397	1,655,270
CAPITAL ASSETS, net	3,266,591	2,871,982	3,735,445	9,874,018
OTHER ASSETS				
Investments	-	-	1,274,452	1,274,452
DEFERRED OUTFLOWS OF RESOURCES- Pension	2,641	25,223	16,755	44,619
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 3,506,836	$ 3,046,474	$ 6,295,049	$ 12,848,359
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
CURRENT LIABILITIES				
Accounts Payable	$ -	$ -	$ 102,866	$ 102,866
Cash Overdraft	-	170,408	99,692	270,100
Accrued Payroll and Benefits Payable	3,770	6,656	9,988	20,414
Pollution Remediation Obligation	-	-	35,963	35,963
Customer Deposits and Advances	1,694	2,195	216,931	220,820
Current Portion Notes and Bonds Payable	46,322	19,645	247,278	313,245
TOTAL CURRENT LIABILITIES	51,786	198,904	712,718	963,408
LONG-TERM LIABILITIES				
Pension Liability	12,385	(1,925)	154,951	165,411
Notes and Bonds Payable, less current portion	737,507	339,969	2,668,381	3,745,857
TOTAL LONG-TERM LIABILITIES	749,892	338,044	2,823,332	3,911,268
TOTAL LIABILITIES	801,678	536,948	3,536,050	4,874,676
DEFERRED INFLOWS OF RESOURCES- Pension	2,383	22,755	15,116	40,254
NET POSITION				
Net investment in Capital Assets	2,482,762	2,512,368	1,469,987	6,465,117
Restricted	100,169	51,405	405,834	557,408
Unrestricted	119,844	(77,002)	868,062	910,904
TOTAL NET POSITION	2,702,775	2,486,771	2,743,883	7,933,429
TOTAL LIABILITES, DEFERRED INFLOWS AND NET POSITION	$ 3,506,836	$ 3,046,474	$ 6,295,049	$ 12,848,359

See Accompanying Notes to Basic Financial Statements.

Barton Village, Inc.
FUND FINANCIAL STATEMENTS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS
For the Year Ended December 31, 2023

	Water Fund	Wastewater Fund	Electric Fund	Total
OPERATING REVENUES				
Charges for Services	$ 304,277	$ 359,339	$ 3,436,105	$ 4,099,721
Penalties and Interest	4,333	4,806	15,215	24,354
TOTAL OPERATING REVENUES	308,610	364,145	3,451,320	4,124,075
OPERATING EXPENDITURES				
Depreciation Expense	145,604	145,383	272,776	563,763
Power Production	-	-	63,286	63,286
Distribution	163,008	227,816	1,142,348	1,533,172
Tax Expense	1,683	-	177,756	179,439
Purchased Power	-	-	986,929	986,929
Solar Credits	-	-	(4,044)	(4,044)
Utility Partners	-	25,285	-	25,285
Uncollectable Accounts	-	-	9,536	9,536
Customer Informational Expense	-	-	2,488	2,488
Office Salaries	12,195	12,366	97,051	121,612
Supplies and Utilities	21,558	56,657	41,766	119,981
Outside Services	13,867	23,687	295,450	333,004
Insurance	19,640	27,257	27,738	74,635
Employee Benefits	19,964	62,341	74,719	157,024
Regulatory Commission	-	-	55	55
Miscellaneous Expense	-	-	154	154
Rents	3,712	1,464	31,209	36,385
Transportation Expense	74	11,457	11,097	22,628
Pollution Remediation Expense	-	-	44,712	44,712
TOTAL OPERATING EXPENDITURES	401,305	593,713	3,275,026	4,270,044
INCOME (EXPENSE) FROM OPERATIONS	(92,695)	(229,568)	176,294	(145,969)
NON-OPERATING REVENUE (EXPENSE)				
Gain/ (Loss) on Disposal of Capital Assets	-	-	88,900	88,900
Grant Income	6,558	5,507	-	12,065
Transfers	17,097	76,189	-	93,286
Other Income	50	80,952	41,113	122,115
Rent Income	-	-	27,678	27,678
Investment Income	43	15	231,841	231,899
Interest Expense	(11,671)	(10,758)	(130,480)	(152,909)
TOTAL NON-OPERATING REVENUE	12,077	151,905	259,052	423,034
INCREASE (DECREASE) IN NET POSITION	(80,618)	(77,663)	435,346	277,065
NET POSITION, Beginning of Year	2,783,393	2,564,434	2,308,537	7,656,364
NET POSITION, End of Year	$ 2,702,775	$ 2,486,771	$ 2,743,883	$ 7,933,429

See Accompanying Notes to Basic Financial Statements.

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended December 31, 2023

	Water Fund	Wastewater Fund	Electric Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customer and Users	$ 296,576	$ 358,624	$ 3,567,995	$ 4,223,195
Payments for Purchased Power	-	-	(986,929)	(986,929)
Payments to Suppliers	(110,594)	(246,935)	(1,925,545)	(2,283,074)
Payments for Wages and Benefits	(137,925)	(206,930)	(253,836)	(598,691)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	48,057	(95,241)	401,685	354,501
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Advance from Other Funds	-	76,189	-	76,189
Other Receipts	23,705	86,459	68,791	178,955
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	23,705	162,648	68,791	255,144
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets, net	(17,097)	(125,518)	(279,199)	(421,814)
Proceeds from Sale of Assets	-	-	88,900	88,900
Proceeds from Acquisition of Long-Term Debt	-	6,870	-	6,870
Principal Reduction of Long-Term Debt	(51,171)	(21,386)	(236,194)	(308,751)
Interest Payments on Debt	(11,671)	(10,758)	(130,480)	(152,909)
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(79,939)	(150,792)	(556,973)	(787,704)
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipt of Interest and Dividends	42	15	95,310	95,367
NET INCREASE IN CASH	(8,135)	(83,370)	8,813	(82,692)
CASH - BEGINNING OF YEAR	145,004	(35,633)	298,407	407,778
CASH - END OF YEAR	$ 136,869	$ (119,003)	$ 307,220	$ 325,086
SUPPLEMENTAL INFORMATION:				
Non-cash investing & financing activities				
Dividends Reinvested in TRANSCO Stock	$ -	$ -	$ 136,530	$ 136,530

See Accompanying Notes to Basic Financial Statements.

Barton Village, Inc.
FUND FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended December 31, 2023

	Water Fund	Wastewater Fund	Electric Fund	Total
Reconciliation of operating income to net cash provided (used) by operating activities				
Operating (loss)	$ (92,695)	$ (229,568)	$ 176,294	$ (145,969)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation and Amortization	145,604	145,383	272,776	563,763
Change in net assets and liabilities:				
Receivables, net	(12,349)	(5,803)	(30,286)	(48,438)
Inventory	7,765	427	(5,442)	2,750
Prepaid Expenses	(1,532)	184	11,335	9,987
Deferred Outflows	(987)	(9,426)	(6,261)	(16,674)
Accounts Payable	-	-	(131,447)	(131,447)
Accrued Payroll and Benefits Payable	1,356	(2,259)	1,911	1,008
Customer Deposits and Advances	315	282	146,961	147,558
Pollution Remediation Obligation	-	-	(37,835)	(37,835)
Pension Liability	4,480	42,783	28,419	75,682
Deferred Inflows	(3,900)	(37,244)	(24,740)	(65,884)
Net cash provided(used) by operating activities	$ 48,057	$ (95,241)	$ 401,685	$ 354,501

See Accompanying Notes to Basic Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Barton Village, Inc. (the "Village"), was incorporated in 1874. The Village Board of Trustees (the "Board") is the basic level of government which has oversight responsibility and control over all activities related to the Village. The Village's major operations include parks and recreation, public works and general administrative services. In addition, the Village owns and operates water, sewer and electric utilities.

The Village's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Village are discussed below.

A. The Financial Reporting Entity

The Village, for financial reporting purposes, includes all of the funds relevant to the operations of Barton Village, Inc. The financial statements presented herein do not include entities which have been formed under applicable state laws or separate and distinct units of government apart from Barton Village, Inc.

The financial statements of the Village do not include those of separately administered entities that are not controlled by or dependent on the Village. Such control or dependence ("oversight responsibility") is determined on the basis of five basic characteristics; financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters.

The significant factors for exclusion are: the directors or trustees are elected directly by the registered voters or members; the Village cannot significantly influence the entities' operations; the entities have sole budgetary authority; the entities control surpluses and deficits; the Village is not responsible for the entities debts; and the entities are responsible for fiscal management and fee determination. Based on these criteria, the Village's reporting entity does not include other unreported entities for which the Village exercises no oversight responsibility and has no accountability for fiscal matters.

B. Basis of Presentation

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type.

The Village's fire protection, parks and recreation, public works, and general administrative services are classified as governmental activities. The Village's water, sewer, and electric services are classified as business-type activities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-wide Statements:

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (public works, etc.).

The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (public works, community and youth services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reports capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, intergovernmental revenues, interest income, etc.).

The Village General Fund allocates direct costs to the other operating funds to recover the direct costs of General Fund services (finance, personnel, purchasing, legal, technology, management, etc.). Except for charges from the Village's enterprise funds to various other functions of the Village and transfers between the Village's enterprise funds and its governmental funds, all inter-fund activity has been eliminated.

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

Fund financial statements:

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The non-major funds are combined in a column in the fund financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The Village reports these major governmental funds and fund types:

a. The general fund is the Village's primary operating fund. It is used to account for and report all financial resources except those required to be accounted for in another fund.

The activities reported in these funds are reported as governmental activities in the government-wide financial statements.

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The Village reports the following proprietary fund types:

a. Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity is financed with debt that is solely secured by a pledge of the net revenues. The activities reported in these funds are reported as business-type activities in the government-wide financial statements. The Electric, Water and Wastewater (Sewer) Enterprise funds operate the Village's electricity acquisition and transmission services, water distribution system and its sewer system, which primarily serves Village residents.

BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which levied. Other non-exchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

"Available" means collectible within the current period or within 60 days after year end. Property tax revenues are recognized in the period for which levied provided they are also available. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are recognized when the related liability is incurred.

Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

Cash:

Cash balances of most Village funds are deposited with and invested by the Village Treasurer. The Village considers all investments with an original maturity of three (3) months or less to be cash equivalents. The Village has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agent.

Investments:

The Village owns stock in the Vermont Electric Power Company and member units in Vermont Transco, LLC. The investments are accounted for at cost.

Inventories:

Inventory quantities are determined by physical count and are valued at the lower of cost or market. Inventories in the proprietary funds consist of parts held by the individual departments for repairs and upkeep of equipment.

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

Reported inventories and prepaid expenses of governmental funds in the fund financial statements are offset by a non-spendable fund balance as these assets are not in spendable form.

Receivables:

All receivables are reported net of estimated uncollectible amounts.

Capital Assets:

Capital assets are reported at actual cost or estimated historical cost based on appraisals or deflated current replacement cost if purchased or constructed. Contributed assets are recorded at their estimated fair value at the time received. Major outlays for capital assets and improvements are capitalized as constructed. Interest incurred during the construction phase for proprietary fund capital assets is reflected in the capitalized value of the asset constructed, net of any interest earned on the invested proceeds during the same period. Interest is not capitalized during the construction phase of capital assets used in governmental activities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized. Infrastructure assets are reported starting with the fiscal year ended December 31, 2004. The Village has elected not to report major general infrastructure assets retroactively.

Depreciation on all capital assets is provided on the straight-line basis over the following estimated useful lives:

	Capitalization Threshold	Estimated Service Life
Land	$ 1,000	Not Depreciated
Antiques	5,000	Not Depreciated
Buildings and Improvements	5,000	30-100 Years
Vehicles	5,000	5-20 Years
Machinery and Equipment	5,000	5-15 Years
Infrastructure	5,000	30-25 Years
Distribution and Collection Systems	5,000	30-100 Years
Demand Side Management	5,000	10 Years

Compensated Absences:

It is the Village's policy to permit employees to accumulate earned but unused leave time. The accrual for unused compensated absence time is based on current pay rates and is recorded in the government-wide financial statements. The liability for unused compensated absences is not reported in the governmental fund financial statements. Payments for unused compensated absences are recorded as expenditures in the year they are paid.

Long-term Liabilities:

Long-term liabilities include bonds and notes payable and other obligations such as compensated absences. Long-term liabilities are reported in the government-wide and proprietary fund financial statements. Governmental fund financial statements do not include any long-term liabilities as those statements use the current financial resources measurement focus and only include current liabilities on their balance sheets.

Deferred Outflows of Resources:

The Village reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred outflows of resources reported in this year's financial statements include (1) a deferred amount arising from the refunding of enterprise fund bonds, (2) a deferred outflow of resources for contributions made to the Village's defined benefit pension plans between the measurement date of the net pension liabilities from those plans and the end of the Village's fiscal year, and (3) deferred outflows of resources related to the differences between the expected and actual demographics for the Village's single-employer defined benefit fund. The deferred refunding amount is being amortized over the remaining life of the refunding bonds as part of interest expense. Deferred outflows for pension contributions will be recognized in the subsequent fiscal year.

The deferred amount related to the actuarial assumptions for demographic factors in the pension fund will be recognized over a closed period equal to the average of the expected remaining service lives of all employees participating in the plan. No deferred outflows of resources affect the governmental funds financial statements in the current year.

Deferred Inflows of Resources:

The Village's statements of net position and its governmental fund balance sheet report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net assets that applies to a future period(s). Deferred inflows of resources are reported in the Village's various statements of net position for actual pension plan investment earnings in excess of the expected amounts included in determining pension expense. This deferred inflow of resources is attributed to pension expense over a total of 1 year, including the current year. In its governmental funds, the only deferred inflow of resources is for revenues that are not considered available. The Village will not recognize the related revenues until they are available (collected not later than 60 days after the end of the Village's fiscal year) under the modified accrual basis of accounting. Accordingly, unavailable revenues from property taxes and grants are reported in the governmental funds balance sheet.

Property Tax Calendar and Revenues:

The Village is responsible for assessing and collecting its own property taxes. Property taxes are assessed based on property valuations as of April 1 and the voter approved budgets. Property taxes were levied in September and were due November 13. The penalty rate charged on late payments is eight (8%) percent. Interest is charged at one percent (1%) per month. Unpaid taxes become an enforceable lien on the property and such properties are subject to tax sale.

The Village voters approved assessing a tax to pay debt service and capital reserve for the Water and Wastewater Funds instead of increasing user fees in March 2002.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The tax rates for December 31, 2023 were as follows:

General Fund	0.9506
Water Fund Debt Service	0.1298
Wastewater Fund Debt Service	0.1117
Total	1.1921

Defining Operating Revenues and Expenses:

The Village's proprietary funds distinguish between operating and non-operating revenues and expenses. Operating revenues and expenses of the Village's water and sewer funds consist of charges for services (including tap fees for the water fund and systems development charges for the sewer fund) and the costs of providing those services, including depreciation and excluding interest cost. All other revenues and expenses are reported as non-operating.

Government-wide and Proprietary Fund Net Position:

Government-wide and proprietary fund net positions are divided into three components:

- Net investment in capital assets – consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.

- Restricted net position-consist of assets that are restricted by the Village's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors (including those who have donated to the Village's parks endowment less related liabilities and deferred inflows of resources).

- Unrestricted-all other net position is reported in this category.

Governmental Fund Balances:

In the governmental fund financial statements, fund balances are classified as follows:

- Non-spendable – Amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.

- Restricted – Amounts that can be spent only for specific purposes because of the Village Charter, the Village Code, state or federal laws, or externally imposed conditions by grantors or creditors.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- Committed – Amounts that can be used only for specific purposes determined by a formal action by the Village's Board of Trustees.

- Assigned – Amounts that are designated by management of the Village for a particular purpose but are not spendable until a budget ordinance is passed or there is a majority vote approval (for capital projects or debt service) by the Board of Trustees.

- Unassigned – All amounts not included in other spendable classifications.

Use of Restricted Resources:

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the Village's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the Village's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications-committed and then assigned fund balances before using unassigned fund balances.

Inter-fund Activity:

Inter-fund activity is reported as loans, services provided, and reimbursements or transfers. Loans are reported as inter-fund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other inter-fund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGET INFORMATION

The Village Trustees prepare the General Fund budget prior to the annual Village meeting. The budget is approved at the annual meeting by the voters approving the amount of taxes to assess for the tax year. There were no adjustments to the original budget.

EXPENDITURES OVER BUDGET

The Village budgeted for General Fund projected revenues to exceed projected expenditures by $69,100. The Budget and Actual Schedule - General Fund reflects that expenditures exceeded budgeted amounts by $120,874. This excess of expenditures was the result of the expenditures for flood repairs not budgeted and will be partially offset by grant revenues of $76,487 with the remainder coming from fund balance.

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS

The Village's cash and investments as of December 31, 2023 consisted of the following:

Deposits with Financial Institutions	$ 1,461,367
Cash on Hand	675
Total Cash	$ 1,462,042

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of failure of the counter-party (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party.

The Village does not have a formal written policy to limit the exposure to custodial credit risk. The Village's membership unit entitlement is not exposed to custodial credit risk. The Village's corporate stock is in the name of the Village and not exposed to custodial credit risk. The following table shows the custodial credit risk of the Village's deposits.

	Book Balance	Bank Balance
Insured by the FDIC	$ 798,501	$ 750,000
Uninsured, Collateralized by irrevocable stand-by letter of credit secured with offsetting loan balances owed to Village lenders	662,866	691,456
Petty Cash	675	-
Total Deposits	$ 1,462,042	$ 1,441,456

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

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity period of an investment is, the greater the expected impact of fluctuations in market interest rates on the investments' fair value. The Village does not have any policy to limit the exposure to interest rate risk. The Village's corporate stock and member unit entitlement are not subject to interest rate risk disclosure.

NOTE 3 CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Village does not have a policy to limit the exposure to credit risk. The Village's corporate stock and membership unit entitlement are exempt from the credit risk disclosure.

Concentration of Credit Risk

The Village does not have any limitations on the amount that can be invested in any one issuer. Investments in the Electric Fund represents VELCO stock and VT Transco, LLC units. The Investments are carried at cost. VT Transco, LLC units are held by VPPSA on behalf of Barton Village, Inc. are recorded as "Investment in VPPSA", Investments in any one issuer that represent more than 5% of total investments are as follows:

	Shs/Units	Cost
VELCO		
Class B Common Stock	523	$ 52,300
Class C Common Stock	230	23,000
VT Transco, LLC		
Class A & B Membership Units	335	3,350
Investment in VPPSA	11,958	1,195,802
TOTAL INVESTMENTS		$ 1,274,452

Restricted Cash

Certain cash accounts, as required by the bond agreements, are restricted. The restricted cash is held by US Bank Investment Department. It consists of a Contingency Reserve Fund of $345,496, a Bond Interest Fund of $7,573 and a Bond Principal Fund of $16,702 for the Electric Department revenue bonds.

Certain proceeds from the Electric Department's general obligation bond and grant award for its line 46KV upgrade should be restricted cash because they are required to be maintained in separate bank accounts and their use is limited by applicable bond covenants, regulatory guidance project award agreements. These proceeds are intended for the sole use of the line 46KV upgrade.

NOTE 4 RECEIVABLES

Receivables as of December 31, 2023, as reported in the statement of net position, net of applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-Type Activities	Total
Delinquent Taxes Receivable	$ 25,758	$ 59,075	$ 84,833
Billed Services	-	494,227	494,227
Unbilled Services	-	267,938	267,938
Other Receivables	93,831	44,401	138,232
Allowance for Doubtful Accounts	-	(22,000)	(22,000)
	$ 119,589	$ 843,641	$ 963,230

NOTE 5 CAPITAL ASSETS ACTIVITY

Capital asset activity for the year ended December 31, 2023 was as follows:

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets not being depreciated:				
Land	$ 149,990	$ -	$ -	$ 149,990
Construction in progress	3,877	12,294	(15,102)	1,069
Total capital assets not being depreciated	153,867	12,294	(15,102)	151,059
Capital Assets, being depreciation:				
General Structures and Equipment	2,568,225	92,439	-	2,660,664
Vehicles	311,354	9,537	-	320,891
Total assets being depreciated	2,879,579	101,976	-	2,981,555
Less accumulated depreciation for:				
General Structures and Equipment	1,155,975	81,161	-	1,237,136
Vehicles	170,717	24,637	-	195,354
Totals	1,326,692	105,798	-	1,432,490
Total capital assets, being depreciated, net	1,552,887	(3,822)	-	1,549,065
Governmental activities - capital Assets, net	$ 1,706,754	$ 8,472	$ (15,102)	$ 1,700,124

NOTE 5 CAPITAL ASSETS ACTIVITY (continued)

Depreciation expense was charged to governmental functions as follows:

General Government	$ 105,798

Business- type Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets not being depreciated:				
Land	$ 126,680	$ -	$ -	$ 126,680
Construction in progress	44,340	273,133	(238,545)	78,928
Total capital assets not being depreciated	171,020	273,133	(238,545)	205,608
Capital Assets, being depreciation:				
Vehicles, machinery and equipment	337,713	-	-	337,713
Distribution and Collection Systems	22,751,835	387,228	-	23,139,063
Total capital assets being depreciated	23,089,548	387,228	-	23,476,776
Less accumulated depreciation:				
Vehicles, machinery and equipment	247,927	58,989	-	306,916
Distribution and Collection Systems	12,996,676	504,774	-	13,501,450
Total accumulated depreciation	13,244,603	563,763	-	13,808,366
Total capital assets, being depreciated, net	9,844,945	(176,535)	-	9,668,410
Business-type Activities - capital Assets, net	$ 10,015,965	$ 96,598	$ (238,545)	$ 9,874,018

NOTE 6 DEFERRED INFLOWS OF RESOURCES/CREDITS

Deferred inflows of resources reflected on the General Fund Balance Sheet consist of $21,000 of delinquent property taxes, penalties and interest on those taxes not collected within sixty (60) days after year end.

NOTE 7 LONG-TERM LIABILITIES

The Village issues general obligation bonds to provide resources for the acquisition and construction of major capital facilities and to refund prior issues. General obligation bonds have been issued for both general governmental and proprietary activities. Bonds are reported in governmental activities if the debt is expected to be repaid from general governmental revenues and in business-type activities if the debt is expected to be repaid from proprietary fund revenues.

NOTE 7 LONG-TERM LIABILITIES (continued)

General obligation bonds are direct obligations and pledge the full faith and credit of the Village. New bonds generally are issued as 10-to-20-year bonds. Refunding bonds are issued for various terms based on the debt service of the debt refunded.

The United States Department of Agriculture (USDA) offers a number of low interest loan programs for various purposes. The Village has borrowed money from the USDA for water and wastewater projects.

The State of Vermont offers a number of non-interest and negative interest-bearing revolving loan programs to utilize for predetermined purposes. The Village has borrowed money from the Vermont Special Environmental Revolving Fund for Water and Wastewater Fund projects.

The Village has other notes payable due to local banks borrowed to finance various capital projects and purchases.

Long-term notes and bonds payable consist of the following at December 31, 2023:

Governmental Activities	Beginning Balance	Additions	Principal Reduction	Ending Balance	Current Portion
Notes Payable					
VEDA, secured by Bridge 20 and 58 payments vary based on the amount borrowed with a 1% interest rate, due October 2035.	$ 81,948	$ -	$ (8,618)	$ 73,330	$ 6,671
Passumpsic, payable in semi-annual payments of principal and 4.97% interest in the amount of $15,377.60, due July 2032.	240,000	-	(19,038)	220,962	20,020
Total Governmental Activities	$ 321,948	$ -	$ (27,656)	$ 294,292	$ 26,691

NOTE 7 LONG-TERM LIABILITIES (continued)

Anticipated maturities are as follows for the Governmental Funds:

Year Ending December 31,	Governmental Activities Principal	Interest	Total
2024	$ 26,691	$ 11,538	$ 38,229
2025	27,766	10,464	38,230
2026	28,890	9,338	38,228
2027	30,071	8,158	38,229
2028	31,308	6,922	38,230
2029-2033	146,044	14,268	160,312
2033-2038	3,522	102	3,624
TOTAL	$ 294,292	$ 60,790	$ 355,082

Business-Type Funds	Beginning Balance	Additions	Principal Reduction	Ending Balance	Current Portion
Electric Fund					
Passumpsic Bank for Hydro Dam, principal plus interest at 1.5% due in full August 2037.	$ 135,458	-	$ (10,000)	$ 125,458	$ 10,000
CNB Current Exp Refunding Note, monthly P&I at 2.93% totaling $5,073, until Oct 2026, at which point the interest becomes variable.	691,395	-	(41,194)	650,201	42,278
Bond payable to VMBB for electrical improvements, principal payments ranging from $50,000 to $165,000 due annually on Dec 1st with interest ranging from 3.55%-5.19%, payable semi-annually on June 1 and Dec 1, due Dec 2028.	920,000	-	(135,000)	785,000	145,000

NOTE 7 LONG-TERM LIABILITIES (continued)

Business-Type Funds	Beginning Balance	Additions	Principal Reduction	Ending Balance	Current Portion
Electric Fund (continued)					
Bond payable to VMBB for electrical improvements, principal payments ranging from $35,000-$110,000 due annually on Dec 1 with interest ranging from 1.004%-5.084% due semi-annually on June 1st and Dec 1st, due Dec 2041.	1,405,000	-	(50,000)	1,355,000	50,000
TOTAL ELECTRIC FUND	3,151,853	-	(236,194)	2,915,659	247,278
Water Fund					
CNB Capital Improvements Note, principal and interest payments of $13,140 due annually on Dec 15th with interest at 2.5%, due Dec 2025.	37,532	-	(12,202)	25,330	12,506
VMBB for water system improvements, principal payments ranging from $923 to $21,973 due annually on Dec 1st with interest of 3.1% payable semi-annually on May 1 and Nov 1, due Nov 2036	144,834	-	(21,974)	122,860	16,459
USDA Rural Development, Water System P&I of $2,832 due semi-annually on March 1 and Sept 1, with interest at 1.625%, due Sept 2056.	73,671	-	(1,642)	72,029	1,669
USDA Rural Development, Water System P&I payments of $13,759 due semi-annually on April 20 and Oct 20, with interest at 2.25%, due Oct 2050	568,992	-	(14,799)	554,193	15,134
State of VT Special Environmental Revolving Fund, Solar Mixer, principal payments of $554 due annually on Dec 1, 0% int	9,971	-	(554)	9,417	554
TOTAL WATER FUND	835,000	-	(51,171)	783,829	46,322

NOTE 7 LONG-TERM LIABILITIES (continued)

Business-Type Funds	Beginning Balance	Additions	Principal Reduction	Ending Balance	Current Portion
Wastewater Fund					
USDA Rural Development, Wastewater improvements, P&I payments of $10,203 due semi-annually on Jan 20 and July 20 with interest at 2.25%, due Jan 2042	320,614	-	(13,266)	307,348	13,564
VMBB Wastewater System Improvements, principal payments ranging from $989 to $2,363 due annually on Dec 1st with interest of 3.1% payable semi-annually on May 1 and Nov 1, due Nov 2036	15,568	-	(2,362)	13,206	1,769
VMBB Wastewater System Improvements, principal payments ranging from $51 to $1,218 due annually on Dec 1st with interest of 3.1% payable semi-annually on May 1 and Nov 1, due Nov 2036	8,025	-	(1,218)	6,807	912
VMBB Wastewater System Improvements, principal payments ranging from $191 to $4,539 due annually on Dec 1st with interest of 3.1% payable semi-annually on May 1 and Nov 1, due Nov 2036	29,923	-	(4,540)	25,383	3,400
Vermont State Revolving Fund, Wastewater Improvements, principal payments of $2,810 due annually beginning Sept 2028 with interest at 0.0%, due Sept 2032	-	6,870	-	6,870	-
TOTAL WASTEWATER FUND	374,130	6,870	(21,386)	359,614	19,645
Total Business-Type Activities	$ 4,360,983	$ 6,870	$ (308,751)	$ 4,059,102	$ 313,245

NOTE 7 LONG-TERM LIABILITIES (continued)

Anticipated maturities are as follows for the Business-Type Funds:

Year Ending December 31,	Business-Type Activities Principal	Interest	Total
2024	$ 313,245	$ 144,515	$ 457,760
2025	326,328	133,852	460,180
2026	840,883	118,158	959,041
2027	288,097	92,341	380,438
2028	301,606	88,164	389,770
2029-2033	610,785	329,988	940,773
2034-2038	662,361	205,219	867,580
2039-2043	506,107	65,661	571,768
2043-2048	135,765	15,985	151,750
2049-2053	65,773	3,423	69,196
2054-2057	8,152	394	8,546
TOTAL	$ 4,059,102	$ 1,197,700	$ 5,256,802

NOTE 8 FUND BALANCES / NET POSITION

Nonspendable Fund balances are as follows:

General Fund	
Nonspendable for:	
Prepaid Expenses	$ 11,587

Assigned Fund balances are as follows:

General Fund	
Assigned for:	
Barton Memorial Building	$ 11,416
Hydrants and Sidewalks	3,649
Tractor/Truck/Backhoe	117,109
Parks and Recreation	39,215
Containment Tank	22,850
Future Grant Matching	52,173
Capital Reserves	42,699
Garage	53,110
Paving	209,423
Fire Department Building	41,363
Total General Fund	$ 593,007

NOTE 8 FUND BALANCES / NET POSITION (continued)

Restricted Net Positions are as follows:

Water Fund	
Restricted for:	
Major Repairs	$ 15,165
Backhoe	3,000
Capital Reserve	82,004
Total Restricted Net Position	100,169
Wastewater Fund	
Restricted for:	
Major Repairs	23,790
Backhoe Expenses	2,700
Capital Reserve	24,915
Total Restricted Net Position	51,405
Electric Fund	
Restricted for:	
Debt Retirement Payments	6,060
Capital Reserve	6,416
Vehicle Reserve	1,018
Backhoe Expenses	2,752
Hydro Plant Improvements	19,817
Debt Service by Bond Agreement	369,771
Total Restricted Net Position	405,834
Total Proprietary Fund Restricted Net Position	$ 557,408

NOTE 9 COMMITMENTS AND CONTINGENCIES

Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village benefits from sovereign immunity and maintains insurance coverage through Vermont Leagues of Cities and Towns which contracts coverage for the Village from multiple carriers. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Village. Settled claims have not exceeded this commercial coverage in any of the past three (3) fiscal years. The Village may withdraw its membership from the Vermont League Fund with (60) sixty days' notice.

NOTE 9 COMMITMENTS AND CONTINGENCIES (continued)

The Village is also a member of the Vermont League of Cities and Towns Unemployment Insurance Trust. The Unemployment Trust is a nonprofit corporation formed to provide unemployment coverage for Vermont municipalities and is managed by the participating members. Governing documents do not permit the Unemployment Trust to make additional assessments to its members beyond required annual contributions.

Federal and State Grants: In the normal course of operations, the Village receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

The Village has been ordered by the Public Utility Commission to evaluate the investment of Advanced Metering Infrastructure (AMI). Vermont Public Power Supply Authority (VPPSA) has been evaluating AMI for its members. On June 1, 2023, the Village entered into an agreement with VPPSA to participate in their Advanced Metering Infrastructure Project (Project). VPPSA will own some components of the Project such as the Data Collection Units, headend and meter data management system software and costs that are of mutual benefit to all VPPSA members. The costs of which will be allocated to all members participating in the Project based upon the ratio of the members meters to the total number of meters of all members. The Village will own its electric water and wastewater meters. The Village is committed to upfront costs estimated to be $344,404 net of grant funds received by VPPSA and in the years after ongoing costs for software maintenance. The project is planned for 2024.

Revenue Bonds

The revenue bonds of the Electric Fund require the funding of a bond contingency reserve fund in substantially equal monthly payments over 48 months so that the contingency amount in the reserve fund will equal the Contingency Reserve Requirement calculation as of the end of the prior calendar year. The reserve requirement is equal to 10% of prior year operating expenses plus 10% of prior year debt service. The balance of the Contingency Reserve account amounted to $345,496 as December 31, 2023. In addition, the Electric Fund was required to create and fund separate debt service interest and principal funds. The balance in these accounts totaled $24,275 as of December 31, 2023.

NOTE 10 DEFINED BENEFIT PLANS (VMERS)

Information Required Under GASB Statement No. 68

Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions requires employers participating in a cost-sharing, multiple-employer defined benefit pension plan to recognize their proportional share of total pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. The schedules below have been prepared to provide Barton Village, Inc.'s proportional share of the overall amounts of the VMERS plan. Barton Village, Inc.'s portion has been allocated based on Barton Village, Inc.'s proportional share of employer contributions to the total contributions to VMERS during the fiscal year.

NOTE 10 DEFINED BENEFIT PLANS (VMERS) (continued)

Reporting Date, Measurement Date, and Valuation Date

Net pension liabilities, deferred pension outflows of resources, deferred pension inflows of resources, and pension expense are all presented as of the Barton Village, Inc.'s reporting date December 31, 2023 and for the Barton Village, Inc.'s reporting period (the year ended December 31, 2023). These amounts are measured as of the measurement date and for the measurement period (the period between the prior and current measurement dates). GASB Statement No. 68 requires that the current measurement date be no earlier than 30 months prior to the employer's fiscal year. For the reporting date of December 31, 2023, the State has chosen to use the end of the prior fiscal year (June 30, 2023) as the measurement date, and the year ended June 30, 2022 as the measurement period.

The total pension liability is determined by an actuarial valuation performed as of the measurement date, or by the use of update procedures to roll forward to the measurement date amounts from an actuarial valuation as of a date no more than 30 months and 1 day earlier than the employer's most recent fiscal year-end. The State has elected to apply update procedures to roll forward amounts from an actuarial valuation performed as of June 30, 2022, to the measurement date of June 30, 2023.

Schedule A – Employer Allocations as June 30, 2021

Fiscal Year Ended June 30, 2021						
Employer Contributions	Employer Proportion	Net Pension Liability	Total Deferred Outflows	Total Deferred Inflows	Net Pension Liability 1% Decrease (6.00% Disc Rate)	Net Pension Liability 1% Increase (8.00% Disc Rate)
$ 15,489	0.06967%	$ 102,536	$ 37,856	$ 143,780	$ 202,669	$ 20,198

Schedule B – Employers' Allocation as of June 30, 2022

Fiscal Year Ended June 30, 2022						
Employer Contributions	Employer Proportion	Net Pension Liability	Total Deferred Outflows	Total Deferred Inflows	Net Pension Liability 1% Decrease (6.00% Disc Rate)	Net Pension Liability 1% Increase (8.00% Disc Rate)
$ 16,912	0.06759%	$ 205,059	$ 60,444	$ 54,530	$ 307,272	$ 120,985

NOTE 10 DEFINED BENEFIT PLANS (VMERS) (continued)

Schedule C – Employers' Allocation of Pension Amounts as of December 31, 2022

Deferred Outflows of Resources							
Employer Proportion	Net Pension Liability	Difference Between Expected and Actual Experience	Changes in Assumptions	Changes in Benefits	Difference Between Projected and Actual Investment Earnings	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows
0.06759%	$ 205,059	$ 15,400	$ 10,484	$ -	$ 3,391	$ 1,269	$ 60,444

Deferred Inflows of Resources					
Difference Between Expected and Actual Experience	Changes in Assumptions	Changes in Benefits	Difference Between Projected and Actual Investment Earnings	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows
$ -	$ -	$ -	$ -	$ 54,530	$ 54,530

Pension Expense Recognized		
Proportionate Share of Pension Plan Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total
$ 38,917	$ (31,320)	$ 7,597

Schedule D – Employers' Allocation of Recognition of Deferred Outflows/Inflows as of June 30, 2022

Fiscal Year Ending					
June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	Thereafter
$ (5,912)	$ (11,091)	$ 2,790	$ 20,127	$ -	$ -

NOTE 10 DEFINED BENEFIT PLANS (VMERS) (continued)

Schedule E – Contribution History for Fiscal Years 2018-2022

FY 2022	FY 2021	FY 2020
$ 15,489	$ 15,489	$ 15,333

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

http://finance.vermont.gov/reports-and-publications/annual-comprehensive-financial-report

Plan Description

The Vermont Municipal Employees' Retirement System is a cost-sharing, multiple-employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees. It is designed for school districts and other municipal employees that work on a regular basis and also includes employees of museums and libraries if at least half of that institution's operating expenses are met by municipal funds. An employee of any employer that becomes affiliated with the system may join at that time or at any time thereafter. Any employee hired subsequent to the effective participation date of their employer who meets the minimum hourly requirements is required to join the system. During the year ended June 30, 2022, the retirement system consisted of 359 participating employees.

The plan was established effective July 1, 1975, and is governed by Title 24, V.S.A. Chapter 125.

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

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of creditable service.

NOTE 10 DEFINED BENEFIT PLANS (VMERS) (continued)

Summary of System Provisions

Membership	Full time employees of participating municipalities. Municipality elect's coverage under Groups A, B, C or D provisions.
Creditable service	Service as a member plus purchased service.
Average Final Compensation (AFC)	Group A – average annual compensation during highest 5 consecutive years. Groups B and C – average annual compensation during highest 3 consecutive years. Group D – average annual compensation during highest 2 consecutive years.
Service Retirement Allowance	
Eligibility	Group A – The earlier of age 65 with 5 years of service or age 55 with 35 years of service. Group B – The earlier of age 62 with 5 years of service or age 55 with 30 years of service. Groups C and D – Age 55 with 5 years of service.
Amount	Group A – 1.4% of AFC x service Group B – 1.7% of AFC x service as Group B member plus percentage earned as Group A member x AFC Group C – 2.5% of AFC x service as a Group C member plus percentage earned as a Group A or B member x AFC Group D – 2.5% of AFC x service as a Group D member plus percentage earned as a Group A, B or C member x AFC Maximum benefit is 60% of AFC for Groups A and B and 50% of AFC for Groups C and D. The above amounts include the portion of the allowance provided by member contributions.

NOTE 10 DEFINED BENEFIT PLANS (VMERS) (continued)

Early Retirement Allowance

Eligibility	Age 55 with 5 years of service for Groups A and B; age 50 with 20 years of service for Group D.
Amount	Normal retirement allowance based on service and AFC at early retirement, reduced by 6% for each year commencement precedes Normal Retirement Age for Group A and B member; payable without reduction to Group D members.

Vested Retirement Allowance

Eligibility	5 years of service.
Amount	Allowance beginning at normal retirement age based on AFC and service at termination. The AFC is to be adjusted annually by one-half of the percentage change in the Consumer Price Index, subject to the limits on “Post-Retirement Adjustments” described below.

Disability Retirement Allowance

Eligibility	5 years of service and disability as determined by Retirement Board.
Amount	Immediate allowance based on AFC and service to date of disability; children’s benefit of 10% of AFC payable to up to three minor children (or children up to age 23 if enrolled in full-time studies) of a disabled Group D member.

Death Benefit

Eligibility	Death after 5 years of service.
Amount	For Groups A, B and C, reduced early retirement allowance under 100% survivor option commencing immediately or, if greater, survivor’s benefit under disability annuity computed as a date of death. For Group D, 70% of the unreduced accrued benefit plus children’s benefit.

NOTE 10 DEFINED BENEFIT PLANS (VMERS) (continued)

Optional Benefit and Death after Retirement	For Groups A, B and C, lifetime allowance or actuarially equivalent 50% or 100% joint or survivor allowance with refund of contribution guarantee. For Group D, lifetime allowance or 70% contingent annuitant option with no reduction.
Refund of Contribution	Upon termination, if the member so elects or if no other benefit is payable, the member's accumulated contributions are refunded.
Post-Retirement Adjustments	Allowance in payment for at least one year increased on each January 1 by one-half of the percentage increase in consumer price index but not more than 2% for Group A and 3% for Groups B, C and D.
Retirement Stipend	$25 per month payable at the option of the Board of retirees.

Member Contributions	Group	Effective 7/1/22	For the Fiscal year ended 6/30/22
	Group A	3.50%	3.25%
	Group B	5.875%	5.625%
	Group C	11.00%	10.75%
	Group D	12.35%	12.10%

Employer Contributions	Group	Effective 7/1/22	For the Fiscal year ended 6/30/22
	Group A	5.00%	4.75%
	Group B	6.50%	6.25%
	Group C	8.25%	8.00%
	Group D	10.85%	10.60%

Significant Actuarial Assumptions and Methods

Interest Rate: 7.00%, net of pension plan investment expenses, including inflation.

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

NOTE 10 DEFINED BENEFIT PLANS (VMERS) (continued)

Mortality:

Pre-Retirement:
Groups A, B, C: 40% PubG-2010 General Employee below-median and 60% of PubG-2010 General Employee, with generational projection using scale MP-2019.

Group D: PubG-2010 General Employee above-median, with generational projection using scale MP-2019.

Healthy Post-Retirement - Retirees:
Groups A, B, C: 104% of 40% PubG-2010 General Healthy Retiree below-median and 60% of PubG-2010 General Healthy Retiree, with generational projection using scale MP-2019.

Group D: PubG-2010 General Healthy Retiree, with generational projection using scale MP-2019.

Healthy Post-Retirement – Beneficiaries:
Groups A, B, C – 70% Pub-2010 Contingent Survivor below-median and 30% of Pub-2010 Contingent Survivor, with generational projection using scale MP-2019.

Group D – Pub-2010 Contingent Survivor, with generational projection using scale MP-2019.

Disabled Post-Retirement:
All Groups- PubNS-2010 Non-Safety Disabled Retiree Mortality Table with generational projection using scale MP-2019.

Spouse's Age: Females three years younger than males.

Cost-of-Living Adjustments: 1.10% for Group A members and 1.20% for Groups B, C and D members. The January 1, 2023, COLAs is assumed to be 2% for Group A and 3% for Groups B, C and D. The January 1, 2022, COLAs were 2% for Group A and 2.3% for Groups B, C and D members.

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

Assets: The valuation is based on the market value of assets as of valuation date, as provided by the System. The System uses an “actuarial value of assets” that differs from market value to gradually reflect year-to-year changes in the market value of assets in determining the contribution requirements.

Inflation: 2.30% per year

NOTE 10 DEFINED BENEFIT PLANS (VMERS) (continued)

Long-term expected rate of return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022, is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Passive Global Equities	24.00%	4.30%
Active Global Equities	5.00%	4.30%
US Equities - Large Cap	4.00%	3.25%
US Equities - Small/Mid Cap	3.00%	3.75%
Non-US Developed US Equities	7.00%	5.00%
Private Equity	10.00%	6.50%
Emerging Markets Debt	4.00%	3.50%
Private & Alternative Credit	10.00%	4.75%
Non-Core Real Estate	4.00%	6.00%
Core Fixed Income	19.00%	0.00%
Core Real Estate	3.00%	3.50%
US TIPS	3.00%	-0.50%
Infrastructure/Farmland	4.00%	4.25%

Discount rate

The discount rate used to measure the total pension liability was 7% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed plan member and employer contributions will be made at rates set by the Board (employers) and statute (members). The Board voted to authorize employer contribution rate increases of 0.50% each year for a period of four years beginning July 1, 2022, to be offset by any increases in the employee contribution rates as negotiated with employee groups and approved by Legislature. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries. As well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plans' Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 10 DEFINED BENEFIT PLANS (VMERS) (continued)

The following presents the net pension liability, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower (6.00%) or one percent higher (8.00%):

1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
$ 307,272	$ 205,059	$ 120,985

NOTE 11 PURCHASED POWER AND COMMITMENTS

The Village of Barton Electric Department is a member of the Vermont Public Power Supply Authority (VPPSA), paying its proportionate share of VPPSA's operating costs and holding a seat on the VPPSA Board of Directors.

Central Dispatch Agreement

The Village Electric Department has entered into a Central Dispatch Agreement (CDA) with VPPSA for the economic dispatch of its generating sources. Under the CDA, the Electric Department authorizes VPPSA to act as its billing agent with regard to its generating sources and transmission providers. VPPSA continues to provide dispatch services to the Electric Department under the terms of the CDA between the Electric Department and VPPSA dated 8/9/2001.

Power Supply Resources

The energy sold through the Village Electric Department is obtained from a combination of sources. While some energy is generated by the Electric Department, most is provided by other sources through power purchase contracts. The following section summarizes all of the major power agreements as of December 31, 2023.

Barton Village Hydro Project

- Size: 1.4 MW
- Fuel: Hydro
- Location: Charleston, VT
- Entitlement: 100% (1.4 MW), Owned
- Products: Energy, capacity, renewable energy credits (VT Tier I & MA Class II)
- End Date: Life of Unit

Brookfield Hydro 2023-2027

- Size: 8 MW On Peak, 7 MW Off Peak
- Fuel: Hydro
- Location: Varies
- Entitlement: 0.5 MW On Peak, 0.4 MW Off Peak
- Products: Energy, VT Tier I renewable energy credits
- End Date: 12/31/27

NOTE 11 PURCHASED POWER AND COMMITMENTS (continued)

Fitchburg Landfill

- Size: 4.5 MW
- Fuel: Landfill Gas
- Location: Westminster, MA
- Entitlement: 5.553%, PPA
- Products: Energy, capacity, renewable energy credits (MA Class I)
- End Date: 12/31/31

Kruger Hydroelectric Facilities

- Size: 6.7 MW
- Fuel: Hydro
- Location: Maine and Rhode Island
- Entitlement: 5.7579%, 0.391 MW, PPA
- Products: Energy, capacity
- End Date: 12/31/37
- Notes: The Electric Department has an agreement with VPPSA to purchase unit contingent energy and capacity from six hydroelectric generators. The contract does not include the environmental attributes and appears as system mix in the summary table.

Market Contracts

- Size: Varies
- Fuel: New England System Mix
- Location: New England
- Entitlement: Varies (PPA)
- Products: Energy
- End Date: Varies, less than 5 years.
- Notes: The Electric Department purchases system power from various other entities under short-term (5 year or less) agreements.

New York Power Authority (NYPA)

- Size: 3.044 MW (Niagara), 0.195 MW (St. Lawrence)
- Fuel: Hydro
- Location: New York State
- Entitlement: 0.25 MW (Niagara PPA), 0.015 MW (St. Lawrence PPA)
- Products: Energy, capacity, renewable energy credits
- End Date: 4/30/2032
- Notes: NYPA provides hydro power to the Electric Department under two contracts, which will be extended at the end of their term.

NOTE 11 PURCHASED POWER AND COMMITMENTS (continued)

Project 10

- Size: 40 MW
- Fuel: Oil
- Location: Swanton, VT
- Entitlement: 2.16% (0.864 MW), joint-owned through VPPSA
- Products: Energy, capacity, reserves
- End Date: Life of unit
- Notes: As the joint-owner, VPPSA has agreements with the Electric Department pay for and purchase 2.16% of the unit's output.

Ryegate Facility

- Size: 20.5 MW
- Fuel: Wood
- Location: East Ryegate, VT
- Entitlement: 0.281% PPA
- Products: Energy, capacity, renewable energy credits (CT Class I)
- End Date: 10/31/2032

Standard Offer Program

- Size: Small renewables, primarily solar < 2.2 MW
- Fuel: Mostly solar, but also some wind, biogas and micro-hydro
- Location: Vermont
- Entitlement: 0.288% (Statutory)
- Products: Energy, capacity, renewable energy credits
- End Date: Varies
- Notes: The Electric Department is required to purchase power from small power producers through the Vermont Standard Offer Program in 2023, in accordance with PUC Rule #4.300. The entitlement percentage fluctuates slightly each year with the Electric Department's pro rata share of Vermont's retail energy sales.

Stetson Wind 2023-2027

- Size: 57 MW
- Fuel: Wind
- Location: Maine
- Entitlement: 0.351% (PPA)
- Products: Energy, VT Tier I renewable energy credits
- End Date: 12/31/27

The percentage of energy (MWH) acquired from the above sources for the year ended December 31, 2023, is shown in Table 1.

NOTE 11 PURCHASED POWER AND COMMITMENTS (continued)

Table 1: 2023 Electricity Supply Resources (MWH)

Resource	MWh	Percent	Fuel	Expiration
Barton Hydro	6,340	32.9%	Hydro	Life of unit
Brookfield 2023-2027	3,910	20.3%	Hydro	12/31/2027
Fitchburg Landfill	1,679	8.7%	Landfill Gas	12/31/2031
Kruger Hydro	1,997	10.4%	System	12/31/2037
Market Contracts	2,079	10.8%	System	<5 Years
NYPA Niagara Contract	1,989	10.3%	Hydro	9/1/2025
NYPA St. Lawrence Contract	62	0.3%	Hydro	4/30/2032
Project 10	20	0.1%	Oil	Life of unit
Ryegate Facility	450	2.3%	Wood	10/31/1932
Standard Offer Program	345	1.8%	Nuclear	Varies
Stetson Wind 2023-2027	375	1.9%	Solar	12/31/2027
Subtotal Resources	19,246	100.0%		
Total Load Including Losses	16,693			
ISO Exchange (+ Purchase/ - Sale)	(964)	-5.5%		

The following tables show the cost of power from these sources, as well as the cost of Transmission, Market, and Miscellaneous costs which are primarily from ISO New England and VELCO (Vermont Electric Power Company).

POWER SUPPLY COSTS

Resource:	
Barton Hydro	$ (220,737)
Brookfield 2023-2027	20,109
Fitchburg Landfill	14,382
Kruger Hydro	32,244
Market Contracts	23,584
NYPA Niagara Contract	(7,643)
NYPA St. Lawrence Contract	(2,107)
Project #10	(11,334)
Ryegate Facility	23,006
Standard Offer Program	58,566
Stetson Wind 2023-2027	22,765
Subtotal Power Supply	(47,165)

NOTE 11 PURCHASED POWER AND COMMITMENTS (continued)

TRANSMISSION COSTS	
Open Access Transmission Tariff	294,891
1991 VTA - Common Facilities	109,800
1991 SPA - Shared & Exclusive	11,728
VELC & St. Lawrencve Transmission	1,412
Subtotal Transmission	417,831
MARKET AND MISC. COSTS	
Energy Market	412,896
Capacity Market	152,897
Reserve Market	9,562
NCPC	2,390
Regulation Services	2,184
Marginal Loss Revenues	(1,132)
Auction Revenue Rights	(3,087)
Other Load Settlement	159
VPPSA Fees - Power Supply	15,775
ISONE Self Funding Tariff	22,670
VELCO Tariff Allocation	832
VELCO Market Settlement	153
VELCO Service Fees	863
GIS Costs	101
Subtotal Market and Misc. Costs	616,263
TOTAL POWER SUPPLY AND TRANSMISSION	$ 986,929

NOTE 12 POLLUTION REMEDIATION

In the proprietary funds financial statements, a short-term pollution remediation obligation is recognized for an environmental assessment of property.

A preliminary study of the BED property found that soils were impacted with certain pollutants in excess of state standards at select locations on the property and neighboring land. The results of this study were submitted to the Vermont Department of Environment Conservation (DEC) and the U. S. Department of Environmental Protection Agency (EPA) in April 2024. This study recommended areas that should be evaluated further to facilitate appropriate remediation activities. Until a response with recommended actions from DEC and EPA is received and carried out a reasonable estimate of remediation costs cannot be reasonably determined at this time. As remediation activities proceed or new information becomes available, the obligation will be reassessed. At this time there are no estimated recoveries to potentially reduce the recorded liability.

NOTE 13 SUBSEQUENT EVENTS

In accordance with accounting standards, the Village has evaluated subsequent events through June 25, 2024, which is the date these basic financial statements were available to be issued. All subsequent events requiring recognition as of December 31, 2023, have been incorporated into these basic financial statements herein.

REQUIRED SUPPLEMENTARY INFORMATION

Barton Village, Inc.
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
BUDGETARY BASIS - GENERAL FUND
For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES				
Property Tax	$ 403,100	$ 403,100	$ 411,176	$ 8,076
Interest on Delinquent Taxes	1,000	1,000	306	(694)
Penalties on Delinquent Taxes	500	500	498	(2)
State Street Aid	132,000	132,000	59,451	(72,549)
Grant Funds	-	-	43,482	43,482
Municipal Building Rent	62,700	62,700	65,363	2,663
Intergovernmental Revenues	23,100	23,100	16,650	(6,450)
Pageant Park Fees	30,000	30,000	25,865	(4,135)
Investment Income	300	300	3,872	3,572
Other	2,000	2,000	3,415	1,415
TOTAL REVENUES	654,700	654,700	630,078	(24,622)
EXPENDITURES				
GENERAL GOVERNMENT				
Interest Expense	300	300	360	(60)
Customer Informational Expenses	500	500	313	187
Office Salaries	4,700	4,700	6,494	(1,794)
Supplies and Utilities	5,000	5,000	9,947	(4,947)
Outside Services	6,900	6,900	13,667	(6,767)
Insurance	4,600	4,600	8,034	(3,434)
Employee Benefits	7,600	7,600	4,830	2,770
Miscellaneous Expense	-	-	1,680	(1,680)
Distribution Main Street Light	9,300	9,300	8,215	1,085
TOTAL GENERAL GOVERNMENT	38,900	38,900	53,540	(14,640)
PUBLIC WORKS				
Interest Expense	1,000	1,000	13,257	(12,257)
DPW Labor	87,400	87,400	93,903	(6,503)
Highway Supplies	62,300	62,300	202,801	(140,501)
Customer Informational Expenses	100	100	180	(80)
Office Salaries	5,100	5,100	6,387	(1,287)
Supplies and Utilities	12,200	12,200	13,761	(1,561)
Outside Services	3,400	3,400	10,188	(6,788)
Rents	5,100	5,100	21,612	(16,512)
Insurance	15,700	15,700	16,318	(618)
Employee Benefits	52,000	52,000	55,103	(3,103)
Transportation Expense	19,000	19,000	15,527	3,473
TOTAL PUBLIC WORKS	263,300	263,300	449,037	(185,737)
MEMORIAL BUILDING				
Tax Expense	1,800	1,800	3,404	(1,604)
DPW Labor	2,600	2,600	803	1,797
Supplies and Utilities	32,600	32,600	32,058	542
Insurance	7,400	7,400	5,906	1,494
Outside Services	4,400	4,400	2,972	1,428
TOTAL MEMORIAL BUILDING	48,800	48,800	45,143	3,657

See Accompanying Notes to Basic Financial Statements.

Barton Village, Inc.
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
BUDGETARY BASIS - GENERAL FUND
For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Favorable/ (Unfavorable)
VILLAGE COMMON				
Supplies and Utilities	500	500	171	329
Outside Services	2,100	2,100	2,180	(80)
Labor	100	100	-	100
TOTAL VILLAGE COMMON	2,700	2,700	2,351	349
PAGEANT PARK				
Tax Expense	1,000	1,000	1,044	(44)
DPW Labor	4,400	4,400	3,054	1,346
Office Salaries	7,400	7,400	6,243	1,157
Supplies and Utilities	7,000	7,000	5,984	1,016
Outside Services	2,300	2,300	7,284	(4,984)
Insurance	200	200	172	28
Employee Benefits	700	700	117	583
Miscellaneous	4,500	4,500	4,301	199
TOTAL PAGEANT PARK	27,500	27,500	28,199	(699)
RECREATION FIELD				
DPW Labor	200	200	33	167
Tax Expense	100	100	65	35
Insurance	-	-	13	(13)
TOTAL RECREATION FIELD	300	300	111	189
RIVER GREEN				
Supplies and Utilities	200	200	192	8
Outside Services	300	300	335	(35)
TOTAL RIVER GREEN	500	500	527	(27)
FIRE DEPARTMENT				
Supplies and Utilities	1,500	1,500	369	1,131
Insurance	500	500	374	126
TOTAL FIRE DEPARTMENT	2,000	2,000	743	1,257
OTHER EXPENDITURES				
Debt Service	27,300	27,300	27,656	(356)
Capital Outlay	174,300	174,300	99,167	75,133
TOTAL OTHER EXPENDITURES	201,600	201,600	126,823	74,777
TOTAL EXPENDITURES	585,600	585,600	706,474	(120,874)
EXCESS OF REVENUES OVER EXPENDITURES	69,100	69,100	(76,396)	(145,496)
OTHER FINANCING SOURCES (USES)				
Transfers	-	-	(93,286)	93,286
NET CHANGE IN FUND BALANCE	$ 69,100	$ 69,100	$ (169,682)	$ (52,210)

See Accompanying Notes to Basic Financial Statements.

Barton Village, Inc.
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Year Ended December 31, 2023

	2022	2021	2020	2019	2018	2017	2016	2015
Village's proportion of the net pension liability (asset)	0.06759%	0.0697%	0.0740%	0.1611%	0.1547%	0.1991%	0.1973%	0.2277%
Village's proportionate share of the net pension liability (asset)	$ 205,059	$ 102,536	$ 187,153	$ 279,517	$ 217,610	$ 241,223	$ 253,944	$ 175,574
Village's covered-employee payroll	$ 270,584	$ 270,584	$ 225,955	$ 390,999	$ 520,765	$ 562,672	$ 550,649	$ 550,649
Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	76%	38%	83%	71%	42%	43%	46%	32%
Plan fiduciary net position as a percentage of the total pension liability	73.60%	86.29%	74.52%	80.35%	82.60%	83.64%	80.95%	87.42%

Significant Actuarial Assumptions and methods are described in Note 10 to the financial statements. No changes in actuarial assumptions and methods since the last measurement date.

Barton Village, Inc.
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - VMERS
For the Year Ended December 31, 2023

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions (Actuarially Determined)	$ 16,912	$ 15,489	$ 15,333	$ 30,955	$ 27,095	$ 32,515	$ 29,990	$ 31,834
Contributions in Relation to the Actuarially Determined Contributions	16,912	15,489	15,333	30,955	27,095	32,515	29,990	31,834
Covered Employee Payroll	$ 270,584	$ 270,584	$ 225,955	$ 271,750	$ 390,999	$ 520,765	$ 550,649	$ 545,644
Contributions as a Percentage of Covered Employee Payroll	6.25%	5.72%	6.79%	11.39%	6.93%	6.24%	5.45%	5.83%

Significant Actuarial Assumptions and methods are described in Note 10 to the financial statements. No changes in actuarial assumptions and methods since the last measurement date.

KBS
Kittell Branagan & Sargent
Certified Public Accountants
Vermont License # 167

June 25, 2024

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Barton Village, Inc. for the year ended December 31, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 14, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Barton Village, Inc. are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023. We noted no transactions entered into by Barton Village, Inc. during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Attached to this letter are all misstatements identified during the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 25, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Barton Village Inc.'s financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Barton Village Inc.'s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We communicated material weaknesses in internal control in a separate letter dated June 25, 2024.

<u>Other Matters</u>

We applied certain limited procedures to Budgetary Comparison Schedule – General Fund, Schedule of the Proportionate Share of the Net Pension Liability, and Schedule of Contributions - VMERS, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

<u>Restriction on Use</u>

This information is intended solely for the information and use of the Board of Trustees and management of Barton Village, Inc., and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Kittell, Branagan & Sargent

KITTELL, BRANAGAN & SARGENT

Client:	BARTON VILLAGE, INC.
Engagement:	2023 Audit
Current Period:	12/31/2023
Workpaper:	Adjusting Journal Entries

Account	Description	Debit	Credit
100			
to record entry for current year VMERS activity			
12-1-00-128.000	Defered Outflows-Pension	5,913.00	0.00
12-2-00-228.000	Defered Inflows-Pension	23,366.00	0.00
12-2-00-233.000	Net Pension Liability	0.00	26,841.00
12-6-00-926.300	Municipal Retirement	0.00	2,438.00
21-1-00-128.000	Defered Outflows-Pension	6,261.00	0.00
21-2-00-228.000	Defered Inflows-Pension	24,740.00	0.00
21-2-00-233.000	Net Pension Liability	0.00	28,419.00
21-6-00-926.300	Municipal Retirement	0.00	2,582.00
23-1-00-128.000	Defered Outflows-Pension	987.00	0.00
23-2-00-228.000	Defered Inflows-Pension	3,900.00	0.00
23-2-00-233.000	Net Pension Liability	0.00	4,480.00
23-6-00-926.300	Municipal Retirement	0.00	407.00
24-1-00-128.000	Defered Outflows-Pension	9,426.00	0.00
24-2-00-228.000	Defered Inflows-Pension	37,244.00	0.00
24-2-00-233.000	Net Pension Liability	0.00	42,783.00
24-6-00-926.300	Municipal Retirement	0.00	3,887.00
Total		**111,837.00**	**111,837.00**
101			
client entry to record 2023 portion of service invoices billed 4/17/24			
21-4-00-415.200	Service Bill Labor/ Equip	0.00	64,000.00
21-4-00-415.300	Service Rev-Contractor L/	0.00	99,219.51
21-4-00-415.100	Materials Sold	0.00	27,989.07
21-1-00-154.100	Inventory / Materials	0.00	27,989.07
21-6-00-582.100	Dist Line/ Station Expens	27,989.07	0.00
21-2-00-252.000	Customer Advance Payments	191,208.58	0.00
Total		**219,197.65**	**219,197.65**
103			
to correct depreciation calc on furnace			
12-6-00-403.000	Depreciation Expense	0.00	43,467.00
12-1-00-108.000	Accumulated Depreciation	43,467.00	0.00
Total		**43,467.00**	**43,467.00**

Account	Description	Debit	Credit
105			
to correct depreciation			
24-6-00-403.000	Depreciation Expense	0.00	69,071.40
24-1-00-108.000	Accumulated Depreciation	69,071.40	0.00
Total		**69,071.40**	**69,071.40**
106			
to record FEMA receivable for Flood			
12-1-00-143.000	Other Accounts Receivable	76,487.06	0.00
12-4-00-417.200	Grant Funds	0.00	76,487.06
Total		**76,487.06**	**76,487.06**
104.1			
to correct depreciation calculation			
23-1-00-108.000	Accumulated Depreciation	50,554.77	0.00
23-6-00-403.000	Depreciation Expense	0.00	50,554.77
Total		**50,554.77**	**50,554.77**
GRAND TOTAL		**570,614.88**	**570,614.88**

Index 1280

ALG-CX-12.2: Audit Difference Evaluation Form

Governmental Unit: BARTON VILLAGE, INC.

Financial Statement Date: 12/31/2023

Completed by: RAL

Date: 5/29/24

Opinion Unit: Electric Fund

A Listing of Known Audit Differences Over: $1,000

Instructions: This form may be used to accumulate audit differences (AD) that are not considered trivial in amount, nature, or circumstances (documented at Step 5 of ALG-CX-2.1). This form should *not* include normal closing entries. At the end of the audit, evaluate all uncorrected audit differences, individually and in the aggregate, in the context of individual opinion units and conclude on whether they materially misstate the financial statements of an opinion unit taken as a whole. This form also provides a space to document any misstatements of disclosures (including quantitative and qualitative misstatements) that are considered when evaluating misstatements in the aggregate. Before evaluating the effect of uncorrected misstatements, reassess whether materiality is still appropriate based on the entity's actual financial results. The notes following the table provide explanations and a listing of qualitative considerations in evaluating materiality. The form allows for quantifying the effect of misstatements, using both the rollover and iron curtain methods, as appropriate. You need to be familiar with the guidance in section 1010 before completing this form.

				Financial Statement Effect—Amount of Over- (Under-) statement of:						
Description (Nature) of Audit Difference (AD)	**Factual (F), Judgmental (J), or Projected (P)**	**Cause**	**W/P Ref.**	**Total Assets**	**Total Liabilities**	**Working Cap.**	**Fund Balance/Net Position**	**Revenues**	**Expen.**	**Change in Fund Balance/ Net Position**
Inventory balance	Projected	physical inventory	4301	9,324			9,324		-9,324	-9,324
Total				9,324	0	0	9,324	0	-9,324	-9,324
Less audit adjustments subsequently booked										
Net unadjusted AD—current year (iron curtain method)				9,324	0	0	9,324	0	-9,324	-9,324
Effect of unadjusted AD—prior years										
Combined current year and prior year AD (rollover method)				9,324	0	0	9,324	0	-9,324	-9,324
Financial statement caption totals				6,295,049	3,536,050		2,743,883	3,451,320	3,275,026	435,346
Current year AD as % of F/S captions (iron curtain method)				0.15%	0.00%	0.00%	0.34%	0.00%	-0.28%	-2.14%
Current and prior year AD as % of F/S captions (rollover method)				0.15%	0.00%	0.00%	0.34%	0.00%	-0.28%	-2.14%

Qualitative Factors: Describe qualitative factors that entered into your evaluation of whether uncorrected accumulated misstatements are material, individually or in the aggregate, in relation to specific accounts and disclosures and to the opinion unit financial statements as a whole, and the reasons why.

during 2023 the largest use of inventory was for customer jobs - if inventory were adjusted the other side would most likely be customer work in progress with no PL effect

Misstatements of Disclosures: Accumulate and describe any misstatements of disclosures, including qualitative and quantitative disclosures, that entered into your evaluation of whether uncorrected accumulated misstatements are material, individually or in the aggregate, in relation to specific accounts and disclosures and to the opinion unit financial statements as a whole.

Conclusion: Based on the results of the evaluation performed above, as well as the consideration of qualitative factors and misstatements by nature or circumstances, uncorrected audit differences, individually and in the aggregate, ○ do ◉ do not cause the financial statements of opinion unit taken as a whole to be materially misstated.

Qualitative Considerations in Evaluating Materiality

The judgment about whether a misstatement is material is influenced by qualitative considerations as well as quantitative considerations. The following are examples of qualitative considerations:

1. The effect of the misstatement on overall trends, for example, a misstatement that changes a decrease in fund balance to an increase in fund balance.
2. The effect of the misstatement on other financial statement components (that is, the pervasiveness of the misstatement).
3. The effect of the misstatement on the government's compliance with legal and contractual provisions, such as revenue misstatements that might affect the entity's compliance with bond covenants.
4. A misstatement that affects management's compensation, for example by satisfying requirements for the award of bonuses or other forms of incentive compensation.
5. The significance of the financial statement element or portion of the entity's activities affected by the misstatement.
6. The effects of misclassifications that could be significant to the financial statement users, for example, misclassification between operating and nonoperating revenues or restricted and unrestricted assets.
7. The potential effect on future periods.
8. The character of the misstatement (for example, the precision of the audit differences).
9. The sensitivity of the circumstances surrounding the misstatement, for example, the implications of misstatements involving fraud, possible violations of laws and regulations, violations of contractual provisions, or conflicts of interest.
10. The motivation of management with respect to the misstatement, for example, (a) an indication of a possible pattern of bias by management when developing and accumulating accounting estimates or (b) a misstatement precipitated by management's continued unwillingness to correct weaknesses in the financial reporting process.
11. The significance of the misstatement or disclosures relative to politically sensitive matters or known user needs.
12. The existence of statutory or regulatory requirements affecting materiality thresholds.
13. Offsetting effects of individually significant matters.
14. Cost of making the correction.
15. Risk of possible additional uncorrected misstatements.
16. Other issues such as public interest, accountability, integrity, and ensuring effective legislative oversight, including particularly issues related to compliance with laws or regulations.
17. A misstatement that may alter key ratios that are used to evaluate the governmental unit's financial position, results of operations, or cash flows.
18. Misstatements that relate to transactions involving particular parties (for example, transactions with related parties) or significant unusual transactions.
19. With regard to accounting estimates and related disclosures, whether they conform with GAAP, are appropriate and reasonable for the entity's circumstances, and do not reflect management bias or cause the financial statements to be misleading.

The items in the above list are only examples of qualitative factors that may be pertinent to the auditor's evaluation of materiality. The auditor should consider additional qualitative factors that may exist.

Misstatements of Disclosures

AU-C 450, *Evaluation of Misstatements Identified During the Audit,* clarifies that misstatements of disclosures, like those related to account balances and transactions, are to be accumulated and evaluated both individually and for their effect on the financial statements as a whole. Quantitative and qualitative information in disclosures may be misstated. Examples of such misstatements include incomplete, inadequate, or omitted disclosures; misleading or obscured information; or inappropriate classification, aggregation, or disaggregation of information. Like financial statement misstatements, misstatements of disclosures may also be deemed *clearly trivial* based on size, nature, or circumstances. Misstatements of disclosures may also be indicative of fraud.

Misstatements of qualitative disclosures may not be able to be quantified in the same way as misstatements of amounts. AU-C 450, however, clarifies that such misstatements are required to be considered when evaluating misstatements individually and in the aggregate. Determining whether such misstatements are material to the financial statements as a whole requires the exercise of professional judgment and skepticism. The following are examples of factors to consider when evaluating the materiality of misstatements by nature or circumstances, individually and in aggregate, with all other misstatements:

- Errors are persistent or pervasive in nature.
- Multiple misstatements relate to the same matter that, collectively, may potentially affect the financial statement user's understanding of the matter.
- One or more misstatements that are the result of management bias.
- One or more misstatements that indicate possible fraud.
- The misstatements undermine the overall presentation of the financial statements.

The auditor may determine qualitative misstatements that seem individually insignificant indicate a pattern, for example of management bias, and are therefore material in aggregate.

Internal Control Considerations

AU-C 265.A12 notes that the identification of a material misstatement that would not have been detected and corrected by the entity's internal control is an indicator of a material weakness. If the auditor identifies a misstatement that is less than material (i.e. not considered clearly trivial but not concluded to be material individually or in the aggregate), the authors believe the auditor also should evaluate whether the control deficiency that allowed the misstatement to occur represents a control deficiency, significant deficiency, or a material weakness. Such evaluation can be performed using ALG-CX-15.1.

KBS
Kittell Branagan & Sargent
Certified Public Accountants
Vermont License # 167

June 25, 2024

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

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Barton Village, Inc. as of and for the year ended December 31, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered Barton Village, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Barton Village's internal control. Accordingly, we do not express an opinion on the effectiveness of Barton Village, Inc.s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

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. We consider the following deficiencies in internal control to be material weaknesses:

1. In-House Accounting Limitations – As is common in small operations, the Company's personnel do not have the experience and training needed to –

    a. Prepare its financial statements, complete with notes, in accordance with accounting principles generally accepted in the United States of America. Accordingly, the Company is unable to, and has not established internal controls over the preparation of financial statements.

    b. Select and apply accounting principles that are in conformity with accounting principles generally accepted in the United States of America. Accordingly, the Company is unable to, and has not established, internal controls over the selection and application of accounting principles.

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.

To the Board of Trustees
Barton Village, Inc.

We consider the following deficiencies in internal control to be significant deficiencies:

1. The Company has in-house accounting limitations, which limit the Company's ability to reduce to a remote likelihood that a material misstatement of the financial statements will not be prevented or detected timely, to prepare its financial statement in accordance with generally accepted accounting principles, and to apply generally accepted accounting principles to its accounting procedures.

To correct these deficiencies, the Company would need to hire additional personnel with the adequate experience to perform these functions with a segregation of duties or contract with an independent service qualified to perform these functions. The Company would need to weigh the costs of these corrections versus the benefits.

This communication is intended solely for the information and use of management Board of Trustees, and others within Barton Village, Inc., and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Kittell, Branagan & Sargent

KITTELL, BRANAGAN & SARGENT