

City of St. Albans, Vermont
BASIC FINANCIAL STATEMENTS
June 30, 2009

City of St. Albans, Vermont
TABLE OF CONTENTS
June 30, 2009

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	
MANAGEMENT'S DISCUSSION AND ANALYSIS	
BASIC FINANCIAL STATEMENTS:	
Government-Wide Financial Statements:	
Statement of Net Assets	1
Statement of Activities	2
Fund Financial Statements:	
Balance Sheet - Governmental Funds	3
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	4
Statement of Net Assets – Proprietary Funds	5
Statement of Revenues, Expenses and Changes in Net Assets – Proprietary Funds	6
Statement of Cash Flows – Proprietary Funds	7
Statement of Net Assets - Fiduciary Fund	8
Notes to Basic Financial Statements	9
REQUIRED SUPPLEMENTARY INFORMATION:	
Budgetary Comparison Schedule – General Fund	24
OTHER SUPPLEMENTARY INFORMATION:	
Statement of Expenditures – Budget and Actual – General Fund	25

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor, Board of Aldermen
and City Manager
City of Saint Albans, Vermont

We have audited the accompanying basic financial statements of the City of St. Albans, Vermont as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the City of St. Albans, Vermont's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the City of St. Albans, Vermont as of June 30, 2009, and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2010, on our consideration of the City of St. Albans, Vermont's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on page 22 are not a required part of the basic financial statements but are required supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

To the Honorable Mayor, Board of Aldermen
and City Manager
City of Saint Albans, Vermont
Page Two

Our audit was conducted for the purpose of forming opinions on the basic financial statements of the City of St. Albans, Vermont taken as a whole. The Statement of Expenditures – Budget and Actual – General Fund listed in the Table of Contents is presented for additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Kittell Branagan & Sargent

St. Albans, Vermont
February 25, 2010

City of St. Albans, Vermont
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2009

This narrative summary of the City of St. Albans' audited financial statements for the year ended 6/30/09 is presented by Management to assist the reader in understanding the overall financial condition of the City. Please note that this section of the report is unaudited.

The audited financial statements present the City's financial operations in three sections: government-wide financial statements; fund financial statements; and notes to the financial statements. It also presents supplemental financial information, including a budget to actual comparison for the year of the general fund, and a statement of net assets for funds held in a fiduciary capacity by the City for outside entities. These various presentations combine to form a single, integrated set of financial statements that together with appropriate note disclosure constitute the basic financial statements of the City.

Financial Highlights

At 6/30/09 total assets of the City exceeded liabilities by \$13,954,733 (refer to government-wide statement of net assets, page 1). This total is comprised of \$12,771,995 invested in capital assets, net of related debt; \$408,635 restricted for specific purposes; and an unrestricted balance in the amount of \$774,103.

Net assets of individual funds as reported in the government-wide financial statements are as follows at 6/30/09.

- Net assets of the City's governmental activities is comprised of \$94,116 restricted for public works, \$100,000 restricted for downtown revitalization, \$16,411 restricted for sidewalk improvements, and \$242,004 unrestricted and unreserved.
- Proprietary funds' net assets (Water and Wastewater) totaled \$11,776,023; including \$11,045,816 invested in capital assets, net of related debt, \$198,108 restricted for capital improvements and payment of debt, and an unrestricted balance of \$532,099.

Government-Wide Financial Statements

Government-wide financial statements ignore the partitions created by individual funds, bringing the financial activities of the City together using one type of information—accrual-based economic resources. Financial information is organized by whether it relates to *governmental activities*, or *business-type activities*. In general, government activities are those accounted for in the governmental funds, while business-type activities are accounted for in enterprise funds.

Generally accepted accounting principles (GAAP) for state and local governments prescribe two basic government-wide financial statements: the government-wide statement of net assets, and the government-wide statement of activities. Together they report assets, liabilities, net assets, revenue and expenses for all governmental and business-type activities of the primary government, but *not* those that are fiduciary in character.

The statement of net assets, also known as the statement of position, presents the City's *permanent* accounts: assets, liabilities and net assets. GAAP allows presentation of these accounts in one of two ways:

- assets – liabilities = net assets (the net asset approach), or
- assets = liabilities + net assets, (the balance sheet approach).

The City uses the first approach, showing the difference between assets and liabilities as net assets. Over time, increases and decreases in net assets serve as a key indicator of whether the financial position of the City is improving or deteriorating.

City of St. Albans, Vermont
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2009

GAAP require that the primary government's activities (those supported primarily by taxes and intergovernmental revenues) be reported separately from its business-type activities (those activities intended to recover all or a significant portion of costs through user fees). The primary governmental activities of the City include general government, public safety, public works, parks and recreation, conservation and development, health and welfare, and public improvements. The business-type activities include water and wastewater operations.

GAAP require that government-wide financial statements include not only the City itself (the primary government), but also legally separate entities for which the City is financially accountable (known as component units). During the period under audit, the City had no responsibility for entities that qualify as component units.

The City's government-wide financial statements (accrual basis) for the fiscal year ended 6/30/09 may be found on pages 1 and 2.

Fund Financial Statements

A fund is a group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives rather than City operations as a whole. The City of St. Albans, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. The funds of the City are segregated into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the focus of governmental fund financial statements is on near-term inflows and outflows of spendable resources, and on balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating the City's near-term financing requirements.

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

The City maintains two major governmental funds—the general fund and the community development fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for each fund.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with its budget.

The basic governmental fund financial statements (modified accrual basis) may be found on pages 3 and 4.

Proprietary funds are used to account for a government's business-type activities. There are two types of proprietary funds—enterprise funds and internal service funds. Both fund types use the same generally accepted accounting principles (GAAP) as similar businesses in the private sector, and recover the full cost of providing services (including capital costs) through fees and charges to users of their services.

The City of St. Albans maintains two *proprietary funds*. These funds are enterprise funds rather than internal service funds, and are presented as business-type activities in the government-wide financial statements. The City's enterprise funds account for its Water and Wastewater programs.

City of St. Albans, Vermont
 MANAGEMENT DISCUSSION AND ANALYSIS
 June 30, 2009

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund and the Wastewater Fund, both of which are considered to be major funds of the City.

Internal service funds are used to account for the financing of goods or services provided by one department of a government to other departments on a cost-reimbursement basis. Services accounted for by internal service funds are tangible, and the extent to which they benefit other departments is easily measured. At this time, the City has no internal service funds.

The basic proprietary fund financial statements (accrual basis) of the City may be found on pages 5 through 7.

Fiduciary funds, also known as trust and agency funds, account for assets held by the City in a trustee or agent capacity for individuals, private organizations, other government units, and/or other funds. They are not reflected in the government-wide financial statements because the resources of those funds are not available to support the programs of the City.

The financial presentation for the City's fiduciary funds may be found on page 8.

Notes to the Financial Statements, in conjunction with the financial statements themselves, provide a more complete picture of the City's financial position and the results of its operations. The notes serve to explain, clarify, and expand upon the financial data presented in the financial statements, and provide some additional information as well. The notes can be found immediately following the basic financial statements in this report.

In addition to the basic financial statements and accompanying notes, certain *Supplementary Information* is provided, including a budgetary comparison statement for the general fund. The supplementary information can be found immediately following the notes to the financial statements.

NET ASSETS
June 30, 2009

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current and other assets	\$ 1,445,625	\$ 1,054,861	\$ 2,500,486
Note receivable	32,579	-	32,579
Capital Assets	3,626,293	16,483,338	20,109,631
TOTAL ASSETS	\$ 5,104,497	\$ 17,538,199	\$ 22,642,696
LIABILITIES			
Long-term liabilities outstanding	\$ 1,402,554	\$ 4,992,854	\$ 6,395,408
Other liabilities	1,523,233	769,322	2,292,555
TOTAL LIABILITIES	\$ 2,925,787	\$ 5,762,176	\$ 8,687,963
NET ASSETS			
Invested in capital assets, net of related debt	\$ 1,726,179	\$ 11,045,816	\$ 12,771,995
Restricted	210,527	198,108	408,635
Unrestricted	242,004	532,099	774,103
TOTAL NET ASSETS	\$ 2,178,710	\$ 11,776,023	\$ 13,954,733

City of St. Albans, Vermont
MANAGEMENT DISCUSSION AND ANALYSIS
 June 30, 2009

NET ASSETS
June 30, 2008

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current and other assets	\$ 1,115,095	\$ 1,012,804	\$ 2,127,899
Note receivable	193,817	-	193,817
Capital Assets	3,490,522	16,602,507	20,093,029
TOTAL ASSETS	\$ 4,799,434	\$ 17,615,311	\$ 22,414,745
LIABILITIES			
Long-term liabilities outstanding	\$ 925,105	\$ 4,600,820	\$ 5,525,925
Other liabilities	1,602,972	1,650,092	3,253,064
TOTAL LIABILITIES	\$ 2,528,077	\$ 6,250,912	\$ 8,778,989
NET ASSETS			
Invested in capital assets, net of related debt	\$ 2,484,655	\$ 11,545,938	\$ 14,030,593
Restricted	94,116	-	94,116
Unrestricted	(307,414)	(181,539)	(488,953)
TOTAL NET ASSETS	\$ 2,271,357	\$ 11,364,399	\$ 13,635,756

Discussion and Analysis

The change in net assets over time is a key indicator of the City's financial position. At 6/30/09 the City's assets exceeded liabilities by \$13,954,733; at 6/30/08 assets exceeded liabilities by \$13,635,756, at 6/30/07 assets exceeded liabilities by \$13,456,423. This represents a slightly increasing trend over the three-year period: 1.3% increase 2007:2008; 2.3% increase 2008:2009.

It is important to note that the City's investment in capital assets (equipment, land, buildings and infrastructure) represents 91.5% of total net assets. These capital assets provide essential services to the residents and business owners of the City, but are not available for future spending. Therefore, resources to repay the debt supporting these assets must be provided from other resources. Last year it was reported that it was the intent of management to build into future budgets monies to be set aside to pay debt and provide for financial contingencies, and reserves for a long-term capital plan. The 2011 budget has achieved that goal.

City of St. Albans, Vermont
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2009

CHANGE IN NET ASSETS (ACCRUAL BASIS)
June 30, 2009

	Governmental Activities	Business-Type Activities	Total
REVENUES			
PROGRAM REVENUES			
Charges for services	\$ 1,211,387	\$ 4,195,232	\$ 5,406,619
Operating grants and revenues	1,458,740	-	1,458,740
Property taxes, levied for general purposes	8,974,613	-	8,974,613
Unrestricted investment earnings	11,766	13,040	24,806
TOTAL REVENUES	11,656,506	4,208,272	15,864,778
EXPENSES			
GOVERNMENTAL ACTIVITIES			
General government	951,130	-	951,130
Public safety	3,192,272	-	3,192,272
Public works	470,066	-	470,066
Recreation, health, education and welfare	507,323	-	507,323
Community development	748,394	-	748,394
Depreciation, unallocated	165,288	-	165,288
Interest on long-term debt	25,592	-	25,592
Loss on impairment of investment	312,000	-	312,000
School taxes	5,377,090	-	5,377,090
BUSINESS - TYPE ACTIVITIES			
Water	-	1,511,804	1,511,804
Sewer	-	2,125,398	2,125,398
TOTAL EXPENSES	11,749,155	3,637,202	15,386,357
OPERATING TRANSFER	-	-	-
CHANGES IN NET ASSETS	(92,649)	571,070	478,421
NET ASSETS, beginning of year	2,271,359	11,364,399	13,635,758
NET ASSETS, end of year	\$ 2,178,710	\$ 11,935,469	\$ 14,114,179

City of St. Albans, Vermont
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2009

CHANGE IN NET ASSETS (ACCRUAL BASIS)
June 30, 2008

	Governmental Activities	Business-Type Activities	Total
REVENUES			
PROGRAM REVENUES			
Charges for services	\$ 922,919	\$ 3,686,010	\$ 4,608,929
Operating grants and revenues	1,421,720	-	1,421,720
Property taxes, levied for general purposes	9,083,284	-	9,083,284
Unrestricted investment earnings	13,329	13,324	26,653
TOTAL REVENUES	11,441,252	3,699,334	15,140,586
EXPENSES			
GOVERNMENTAL ACTIVITIES			
General government	617,719	-	617,719
Public safety	2,828,788	-	2,828,788
Public works	467,661	-	467,661
Recreation, health, education and welfare	403,011	-	403,011
Community development	1,023,587	-	1,023,587
Depreciation, unallocated	135,906	-	135,906
Interest on long-term debt	48,237	-	48,237
Loss on impairment of investment	-	-	-
School taxes	5,705,305	-	5,705,305
BUSINESS - TYPE ACTIVITIES			
Water	-	1,504,356	1,504,356
Sewer	-	2,201,700	2,201,700
TOTAL EXPENSES	11,230,214	3,706,056	14,936,270
OPERATING TRANSFER	(25,001)	-	(25,001)
CHANGES IN NET ASSETS	186,037	(6,722)	179,315
NET ASSETS, beginning of year	2,085,320	11,371,121	13,456,441
NET ASSETS, end of year	\$ 2,271,357	\$ 11,364,399	\$ 13,635,756

City of St. Albans, Vermont
MANAGEMENT DISCUSSION AND ANALYSIS
 June 30, 2009

SUMMARY OF CAPITAL ASSETS & LONG-TERM DEBT
 June 30, 2009

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Land	\$ 790,337	\$ 155,000	\$ 945,337
Property Held for Sale	-	-	-
Construction in Progress	-	314,137	314,137
Buildings & Improvements	2,531,105	22,461,485	24,992,590
Machinery and Equipment	1,470,190	3,943,316	5,413,506
Infrasructure	1,040,891	-	1,040,891
	5,832,523	26,873,938	32,706,461
Less: Accumulated Depreciation	(2,206,230)	(10,390,600)	(12,596,830)
 TOTAL ASSETS, net	 \$ 3,626,293	 \$ 16,483,338	 \$ 20,109,631
 LONG-TERM DEBT	 \$ 1,900,114	 \$ 5,437,522	 \$ 7,337,636

SUMMARY OF CAPITAL ASSETS & LONG-TERM DEBT
 June 30, 2008

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Land	\$ 758,337	\$ 155,000	\$ 913,337
Property Held for Sale	312,000	-	312,000
Construction in Progress	-	187,089	187,089
Buildings & Improvements	2,338,106	22,422,586	24,760,692
Machinery and Equipment	1,328,941	3,562,965	4,891,906
Infrasructure	831,572	-	831,572
	5,568,956	26,327,640	31,896,596
Less: Accumulated Depreciation	(2,078,434)	(9,725,133)	(11,803,567)
 TOTAL ASSETS, net	 \$ 3,490,522	 \$ 16,602,507	 \$ 20,093,029
 LONG-TERM DEBT	 \$ 1,005,867	 \$ 5,056,569	 \$ 6,062,436

The City's investment in capital assets for its governmental activities totals \$1,726,179 at 6/30/09. GASB 34 allows an exemption for roads and bridges prior to July 1, 2003. Business-type activities' total capital investment is \$11,045,816.

City of St. Albans, Vermont
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2009

Major capital investments during the fiscal year ended 6/30/09 included the following items:

Combination cleaning machine totaled \$195,243
Investments in streets, roads and bridges totaled \$209,319

Long-Term Debt

At the end of the current year, the City of St. Albans had total long-term debt outstanding of \$7,337,636. Of this amount, \$3,731,069 is bonded debt backed by the full faith and credit of the City of St. Albans for the water utility.

The City of St. Albans' total long-term debt increased by \$1,275,200 during the year.

Bonds are issued through the Vermont Municipal Bond Bank. The City issues no bonded debt on its own behalf and does not maintain its own credit rating.

Outlook and Future Development

City Management remains committed to improving the City's fiscal position after two years of deficit spending in 2006 and 2007. In FY 09, all three funds offer signs that with continued conservative financial management, the City can continue to add to the unrestricted fund balance each year.

The 2010 re-structuring of the fire department saved taxpayers \$300,000 and allowed redirection of resources into infrastructure, economic development, and crime reduction. This strategic reallocation of resources is emblematic of the type of creative thinking City leaders intend to continue as we move into the next phase of restoring fiscal balance.

Requests for Information

The financial report is designed to provide a general overview of the City of St. Albans, Vermont's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of City Manager, 100 North Main St., P.O. Box 867, St. Albans, VT 05478.

City of Saint Albans, Vermont
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF NET ASSETS
June 30, 2009

ASSETS

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
CURRENT ASSETS			
Cash	\$ 633,121	\$ -	\$ 633,121
Cash - restricted	460,968	-	460,968
Taxes receivable	241,479	-	241,479
Accounts receivable	75,267	686,964	762,231
Other receivables	-	140,951	140,951
Due from other funds	34,434	226,946	261,380
Prepaid expenses	356	-	356
Current portion notes receivable	<u>29,776</u>	<u>-</u>	<u>29,776</u>
TOTAL CURRENT ASSETS	1,475,401	1,054,861	2,530,262
 NOTES RECEIVABLE, net of current portion	 2,803	 -	 2,803
 CAPITAL ASSETS, net	 <u>3,626,293</u>	 <u>16,483,338</u>	 <u>20,109,631</u>
 TOTAL ASSETS	 <u>\$ 5,104,497</u>	 <u>\$ 17,538,199</u>	 <u>\$ 22,642,696</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES			
Current portion notes and bonds payable	\$ 497,560	\$ 444,668	\$ 942,228
Accounts payable	405,695	1,012	406,707
Accrued liabilities	383,306	175,156	558,462
Deferred revenue	129,040	-	129,040
Due to other funds	<u>107,632</u>	<u>148,486</u>	<u>256,118</u>
TOTAL CURRENT LIABILITIES	1,523,233	769,322	2,292,555
 NOTES AND BONDS PAYABLE	 <u>1,402,554</u>	 <u>4,992,854</u>	 <u>6,395,408</u>
 TOTAL LIABILITIES	 <u>2,925,787</u>	 <u>5,762,176</u>	 <u>8,687,963</u>
 NET ASSETS			
Invested in capital assets, net of related debt	1,726,179	11,045,816	12,771,995
Restricted	210,527	198,108	408,635
Unrestricted	<u>242,004</u>	<u>532,099</u>	<u>774,103</u>
NET ASSETS	<u>2,178,710</u>	<u>11,776,023</u>	<u>13,954,733</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 5,104,497</u>	 <u>\$ 17,538,199</u>	 <u>\$ 22,642,696</u>

See Accompanying Notes to Basic Financial Statements.

City of Saint Albans, Vermont
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2009

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Revenues	Capital Grants and Revenues	Governmental Activities	Business-Type Activities	Total
Functions/Programs							
Governmental activities:							
General government	\$ 951,130	\$ 129,977	\$ 311,157	\$ -	\$ (509,996)	\$ -	\$ (509,996)
Public safety	3,192,272	506,101	260,913	-	(2,425,258)	-	(2,425,258)
Public works	470,066	358,985	127,758	-	16,677	-	16,677
Recreation, health, education and welfare	507,323	216,324	35,000	-	(255,999)	-	(255,999)
Community development	748,394	-	723,912	-	(24,482)	-	(24,482)
Depreciation, unallocated	165,288	-	-	-	(165,288)	-	(165,288)
Interest on long-term debt	25,592	-	-	-	(25,592)	-	(25,592)
Total governmental activities	6,060,065	1,211,387	1,458,740	-	(3,389,938)	-	(3,389,938)
Business-type activities:							
Water	1,511,804	1,892,135	-	-	-	380,331	380,331
Sewer	2,125,398	2,303,097	-	-	-	177,699	177,699
Total business-type activities	3,637,202	4,195,232	-	-	-	558,030	558,030
General Revenues:							
Property taxes, levied for general purposes					8,974,613	-	8,974,613
Unrestricted investment earnings					11,766	13,040	24,806
Loss on impairment of investment					(312,000)	-	(312,000)
School Taxes					(5,377,090)	-	(5,377,090)
Total general revenues and transfers					3,297,289	13,040	3,310,329
Change in Net Assets					(92,649)	571,070	478,421
Net assets, beginning					2,271,359	11,364,399	13,635,758
Prior Period Adjustment					-	(159,446)	(159,446)
Net assets, ending					\$ 2,178,710	\$ 11,776,023	\$ 13,954,733

See Accompanying Notes to Basic Financial Statements.

City of Saint Albans, Vermont
FUND FINANCIAL STATEMENTS
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2009

	Governmental Fund Types		
	General	Community Development	Totals (Memorandum Only)
ASSETS			
Cash	\$ 519,808	\$ 113,313	\$ 633,121
Cash - restricted	460,968	-	460,968
Receivables (net of allowances for uncollectibles)			
Taxes, including interest and penalties	241,479	-	241,479
Accounts	64,624	10,643	75,267
Due from other funds	34,434	-	34,434
Prepaid expenses	356	-	356
	<u>1,321,669</u>	<u>123,956</u>	<u>1,445,625</u>
TOTAL ASSETS	\$ 1,321,669	\$ 123,956	\$ 1,445,625
LIABILITIES			
Accounts payable	\$ 405,356	\$ 339	\$ 405,695
Deferred Revenue	122,162	6,878	129,040
Other Accrued Expenses	254,941	-	254,941
Due to other Funds	26,260	81,372	107,632
	<u>808,719</u>	<u>88,589</u>	<u>897,308</u>
TOTAL LIABILITIES	808,719	88,589	897,308
FUND BALANCE			
Reserved	210,527	-	210,527
Unreserved	302,423	35,367	337,790
	<u>512,950</u>	<u>35,367</u>	<u>548,317</u>
TOTAL FUND BALANCE	512,950	35,367	548,317
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,321,669	\$ 123,956	\$ 1,445,625

See Accompanying Notes to Financial Statements.

Total fund balances - governmental funds \$ 548,317

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

3,626,293

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:

Community Development Notes Receivable
Accounts Receivable - Other

32,579

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds:

Due to employees (3,901)

Accrued sick time (70,492)

Accrued vacation (45,042)

Accrued comp-time (8,930)

Notes and bonds payable (1,900,114)

Total net assets - governmental activities \$ 2,178,710

City of Saint Albans, Vermont
FUND FINANCIAL STATEMENTS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2009

	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Community Development</u>	<u>Total Governmental Funds</u>
REVENUES			
Taxes, interest and penalties	\$ 3,958,175	\$ -	\$ 3,958,175
Licenses and permits	80,058	-	80,058
Intergovernmental	401,416	40,614	442,030
Charges for services	440,798	-	440,798
Recreation Department	248,862	-	248,862
Fines	17,917	-	17,917
Interest on savings	11,560	169	11,729
Grant Revenue	199,916	385,615	585,531
Miscellaneous	203,191	224,511	427,702
Rent	-	12,950	12,950
Loan repayments	-	112,845	112,845
TOTAL REVENUES	<u>5,561,893</u>	<u>776,704</u>	<u>6,338,597</u>
EXPENDITURES			
Current:			
General government	713,239	369,927	1,083,166
Public safety	3,330,406	-	3,330,406
Highways and streets	557,585	-	557,585
Sanitation	7,476	-	7,476
Parks and recreation	308,766	-	308,766
Miscellaneous	179,237	84,255	263,492
Grant expenditures	279,709	335,789	615,498
Capital Outlays	225,000	-	225,000
Debt Service	164,931	-	164,931
TOTAL EXPENDITURES	<u>5,766,349</u>	<u>789,971</u>	<u>6,556,320</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(204,456)</u>	<u>(13,267)</u>	<u>(217,723)</u>
OTHER FINANCING SOURCES (USES)			
Other financing source	1,051,028	-	1,051,028
Operating transfer in	42,114	8,000	50,114
Operating transfer out	(8,000)	(42,114)	(50,114)
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,085,142</u>	<u>(34,114)</u>	<u>1,051,028</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	880,686	(47,381)	833,305
FUND BALANCE AT BEGINNING OF YEAR	<u>(367,736)</u>	<u>82,748</u>	<u>(284,988)</u>
FUND BALANCE AT END OF YEAR	<u>\$ 512,950</u>	<u>\$ 35,367</u>	<u>\$ 548,317</u>

See Accompanying Notes to Financial Statements

Net change in fund balances - governmental funds \$ 833,305

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Depreciation (165,288)

Capital outlays 613,059

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 156,781

Payment of post retirement benefits are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 866

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Notes receivable collected (117,238)

Loans provided to outside organizations are expenditures in the governmental funds, but issuing the debt increases assets in the statement of net assets. Losses are recognized in the year that it is determined that loans will not be collectible.

New loans (1,051,028)

Losses on uncollectible loans (44,000)

Expenses in the statement of activities that do not require the use of current financial resources and are not reported as expenditures in the funds:

Loss on impairment of investment (312,000)

Accrued comptime (1,951)

Accrued sick time 2,064

Accrued vacation time (7,219)

Change in net assets of governmental activities \$ (92,649)

City of Saint Albans, Vermont
FUND FINANCIAL STATEMENTS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2009

	<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Totals (Memorandum Only)</u>
ASSETS			
CURRENT ASSETS			
Accounts receivable	\$ 330,409	\$ 356,555	\$ 686,964
Unbilled revenue	60,744	80,207	140,951
Due from other funds	<u>226,946</u>	<u>-</u>	<u>226,946</u>
TOTAL CURRENT ASSETS	<u>618,099</u>	<u>436,762</u>	<u>1,054,861</u>
CAPITAL ASSETS			
Land	155,000	-	155,000
Building and improvements	7,319,035	15,142,450	22,461,485
Machinery and equipment	1,130,314	2,813,002	3,943,316
Construction in progress	-	314,137	314,137
Accumulated Depreciation	<u>(2,903,402)</u>	<u>(7,487,198)</u>	<u>(10,390,600)</u>
CAPITAL ASSETS, net	<u>5,700,947</u>	<u>10,782,391</u>	<u>16,483,338</u>
TOTAL ASSETS	<u>\$ 6,319,046</u>	<u>\$ 11,219,153</u>	<u>\$ 17,538,199</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable	\$ 649	\$ 363	\$ 1,012
Other accrued expenses	100,379	74,777	175,156
Due to other funds	-	148,486	148,486
Current Portion to General Obligation Bonds	73,029	-	73,029
Current Portion General Obligation Notes Payable	<u>129,629</u>	<u>242,010</u>	<u>371,639</u>
TOTAL CURRENT LIABILITIES	<u>303,686</u>	<u>465,636</u>	<u>769,322</u>
LONG-TERM LIABILITIES			
General Obligation Bonds, net of current portion	3,658,040	-	3,658,040
General Obligation Notes Payable, net of current portion	<u>296,684</u>	<u>1,038,130</u>	<u>1,334,814</u>
TOTAL LONG-TERM LIABILITIES	<u>3,954,724</u>	<u>1,038,130</u>	<u>4,992,854</u>
TOTAL LIABILITIES	<u>4,258,410</u>	<u>1,503,766</u>	<u>5,762,176</u>
NET ASSETS			
Invested in Capital Assets, net of debt	1,543,565	9,502,251	11,045,816
Unreserved	462,517	69,582	532,099
Restricted	<u>54,554</u>	<u>143,554</u>	<u>198,108</u>
TOTAL NET ASSETS	<u>2,060,636</u>	<u>9,715,387</u>	<u>11,776,023</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 6,319,046</u>	<u>\$ 11,219,153</u>	<u>\$ 17,538,199</u>

See Accompanying Notes to Basic Financial Statements

City of Saint Albans, Vermont
FUND FINANCIAL STATEMENTS
CHANGES IN NET ASSETS
PROPRIETARY FUNDS
For the Year Ended June 30, 2009

	<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Totals (Memorandum Only)</u>
OPERATING REVENUE			
Charges for Services	\$ 1,892,135	\$ 2,303,097	\$ 4,195,232
OPERATING EXPENSES			
Personal services	456,893	717,097	1,173,990
Other purchased services	120,342	117,553	237,895
Supplies	211,585	349,393	560,978
Repairs and maintenance	92,979	308,485	401,464
Utilities and telephone	137,211	162,806	300,017
Real estate taxes	47,467	4,302	51,769
Depreciation and amortization	246,463	419,003	665,466
TOTAL OPERATING EXPENSES	<u>1,312,940</u>	<u>2,078,639</u>	<u>3,391,579</u>
OPERATING INCOME	<u>579,195</u>	<u>224,458</u>	<u>803,653</u>
NON-OPERATING REVENUE (EXPENSE)			
Interest Income	6,069	6,971	13,040
Interest Expense	<u>(198,864)</u>	<u>(46,759)</u>	<u>(245,623)</u>
TOTAL NON-OPERATING REVENUE (EXPENSE)	<u>(192,795)</u>	<u>(39,788)</u>	<u>(232,583)</u>
CHANGE IN NET ASSETS	386,400	184,670	571,070
NET ASSETS BEGINNING OF YEAR	1,775,577	9,588,822	11,364,399
PRIOR PERIOD ADJUSTMENT	<u>(101,341)</u>	<u>(58,105)</u>	<u>(159,446)</u>
NET ASSETS END OF YEAR	<u>\$ 2,060,636</u>	<u>\$ 9,715,387</u>	<u>\$ 11,776,023</u>

See Accompanying Notes to Basic Financial Statements

City of Saint Albans, Vermont
FUND FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2009

	Water Fund	Wastewater Fund	Totals (Memorandum Only)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 1,900,538	\$ 2,276,945	\$ 4,177,483
Payments to suppliers	(687,254)	(1,140,375)	(1,827,629)
Payments for employees and benefits	(480,975)	(752,801)	(1,233,776)
Other receipts (payments)	(47,467)	(4,302)	(51,769)
NET CASH PROVIDED BY OPERATING ACTIVITIES	684,842	379,467	1,064,309
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Receipts from (payments to) other funds	(184,434)	121,372	(63,062)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(42,060)	(504,237)	(546,297)
Payments of interest	(198,864)	(46,759)	(245,623)
Principal reduction of notes and bonds payable	(256,233)	637,186	380,953
Reduction of STD	(10,000)	(594,000)	(604,000)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(507,157)	(507,810)	(1,014,967)
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipt of interest	6,069	6,971	13,040
NET DECREASE IN CASH	(680)	-	(680)
CASH - BEGINNING OF YEAR	680	-	680
CASH - END OF YEAR	\$ -	\$ -	\$ -
Reconciliation of operating income(loss) to net cash provided (used) by operating activities:			
Operating (loss)	\$ 579,195	\$ 224,458	\$ 803,653
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	246,463	419,003	665,466
Change in net assets and liabilities:			
Receivables, net	15,151	(19,915)	(4,764)
Unbilled revenue	(6,748)	(6,237)	(12,985)
Accounts payable	(125,137)	(202,138)	(327,275)
Other accrued expenses	(24,082)	(35,704)	(59,786)
Net cash provided by operating activities	\$ 684,842	\$ 379,467	\$ 1,064,309

See Accompanying Notes to Basic Financial Statements.

City of Saint Albans, Vermont
FUND FINANCIAL STATEMENTS
STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
June 30, 2009

	Agency Fund			
	Downtown Designation	Veterans Memorial	Rose Toutant Trust	Total
<u>ASSETS</u>				
Cash	\$ -	\$ 1,497	\$ 117,285	\$ 118,782
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 1,497</u>	<u>\$ 117,285</u>	<u>\$ 118,782</u>
<u>LIABILITIES AND NET ASSETS</u>				
Due to others	\$ (3,782)	\$ 17	\$ 117,285	\$ 113,520
Due to other funds	<u>3,782</u>	<u>1,480</u>	<u>-</u>	<u>5,262</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ -</u>	<u>\$ 1,497</u>	<u>\$ 117,285</u>	<u>\$ 118,782</u>

See Accompanying Notes to Basic Financial Statements.

City of St. Albans, Vermont
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of St. Albans is a municipal corporation operating under a council-manager form of government. It is governed by 7 elected officials – a mayor and 6 council members. The City is made up of 6 individual wards, each being represented by one of the 6 elected council members. The City Council appoints a City Manager to oversee the general operations of the City.

The City provides the following services to its citizenry: public safety (police, ambulance, fire and animal control), highways and streets, sanitation, parks and recreation, planning and zoning, and general administrative services.

A. Reporting Entity

The financial statements of the City consist only of the funds and account groups of the City. The City has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the City. Control or dependence is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing board.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expense of a given program is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), and the acquisition or construction of general fixed assets (capital projects). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Fiduciary Funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Included in this fund is the Rose Toutant account totaling \$117,285 from an estate without any heirs. This money is due to the school after a period not to exceed seventeen years if the money is not claimed before that period.

City of St. Albans, Vermont
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the City receives cash.

The City reports the following major governmental funds:

- * The special revenue fund accounts for special programs and grants that have restricted or designated fund balance.
- * The general fund is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

Private-sector standards of accounting, and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

Amounts reported as program revenues include 1) charges to individuals and business for fees, rental, material, supplies, or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

City of St. Albans, Vermont
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The City maintains one cash account in the general fund to collect money and pay bills for all funds. When money is collected and expended, the City records a corresponding payable or receivable to the appropriate fund. This helps manage cash and eases administrative burdens. As a result, no cash is reflected in the water or wastewater funds.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., current portion of inter-fund loans) or "advances from/to other funds" (i.e., the non-current portion of inter-fund loans).

F. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (roads, bridges, sidewalks, water/sewer lines, etc.) are reported in the applicable governmental or business-type activity columns in the government-wide financial statements.

General capital assets should be capitalized and recorded when all of the following criteria are met:

- (1) The asset is tangible and complete.
- (2) The asset is used in the operation of the City's activities.
- (3) The asset has a \$5,000 or greater value and useful life over one year at the date of acquisition that meets or exceeds the following:

All general capital assets must be recorded at either historical cost or estimated historical cost. Assets acquired through donation will be recorded at their estimated fair market value on the date of donation. In addition to purchase price or construction cost, costs of capitalization may include incidental costs, such as bond interest and issuance cost, insurance during transit, freight, duties, title search, title registration, installation, and breaking-in costs.

The straight line depreciation method will be used over the estimated useful life of each asset.

G. Long-term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net assets.

H. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources. Restricted fund balances represent constraints on net asset use due to a) external impositions by creditors, grantors, contributors or laws or regulations of other governments or b) impositions by law through constitutional provisions or enabling legislation.

City of St. Albans, Vermont
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2009

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Estimates

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

J. Allowance for Uncollectible Accounts

The City provides an allowance for uncollectible accounts for the estimated losses that will be incurred in the collection of all receivables. The estimated losses are based on the judgment of management and a review of the current status of existing receivables.

K. Operating Transfers

Operating transfers are legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

NOTE 2 DELINQUENT TAXES RECEIVABLE

Delinquent taxes receivable consist of:

	<u>General Fund</u>
Delinquent property taxes	\$ 325,619
Penalties on taxes receivable	22,298
Interest on taxes receivable	15,319
Deferred Revenue	(91,757)
	271,479
Allowance for uncollectible delinquent taxes	(30,000)
Total	\$ 241,479

Property taxes are levied as of July 1 on property values assessed on April 1. The tax levy is divided into four installments. The equal installments are due August 31, November 30, February 28 and May 31. The bill becomes delinquent on June 1 and penalties of 8% may be assessed by the government. Interest is assessed monthly on all outstanding installments.

Deferred revenue consists of property taxes estimated not to be collected within the first 60 days of the fiscal year.

City of St. Albans, Vermont
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE 3 INTERFUND RECEIVABLE AND PAYABLE BALANCES

Individual Fund Interfund Receivable and Payable balances are as follows at June 30, 2009:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 34,434	\$ 26,260
Water Fund	226,946	-
Wastewater Fund	-	148,486
Downtown Designation Fund	-	3,782
Veterans Memorial	-	1,480
Community Development Fund	-	<u>81,372</u>
Total	<u>\$ 261,380</u>	<u>\$ 261,380</u>

NOTE 4 ACCRUED COMPENSATION

At June 30, 2009, the City had the following vested benefits earned by their employees:

Vested Compensation - Water	\$ 35,056
Vested Compensation - Waste Water	68,546
Vested Compensation - General	<u>377,163</u>
Total	<u>\$ 480,765</u>

NOTE 5 NOTES AND BONDS PAYABLE

The following is a summary of changes in notes and bonds payable for the year ended June 30, 2009:

<u>Business - Type Activities:</u>	<u>Beginning Balance 6/30/08</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance 6/30/09</u>
------------------------------------	--	------------------	------------------	---------------------------------------

Note payable to the Peoples Trust Company, interest at 2.70%. Annual principal and interest payment of \$129,902 (This note is being serviced- principal and interest -50 percent by the Water Fund and 50 percent by the Wastewater Fund).

Maturing 01/23/2009	\$ 126,639	\$ -	\$ 126,639	\$ -
---------------------	------------	------	------------	------

City of St. Albans, Vermont
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE 5 NOTES AND BONDS PAYABLE (continued)

	Beginning Balance 6/30/08	Additions	Deletions	Ending Balance 6/30/09
Note payable to Peoples Trust Co. issued April 19, 2006, interest at 5.00%, due in monthly principal and interest installments of \$3,774.79 (This issue is being serviced-principal and interest-by the Water Enterprise Fund). Matures 2011	119,394	-	39,751	79,643
Lease payable to SunTrust Leasing Corp. issued August 17, 2005, interest at 4.89%, due in annual principal and interest installments of \$29,660.00 (This issue is being serviced- principal and interest-by the Wastewater Enterprise Fund). Matures 2008	12,834	-	12,834	-
Note payable to People Trust Co. issued April 19, 2006, interest at 5.00%, due in monthly principal and interest installments of \$3,774.79 (This issue is being serviced-principal and interest-by the Wastewater Enterprise Fund). Matures 2011	119,394	-	39,751	79,643
Note payable to Union Bank issued April 24, 2006, interest at 5.25% subject to adjustment in the event there is a change in the Federal Corporate Tax Rate applicable to Union Bank with respect to a period during which the note is outstanding. Due in annual principal and interest installments of \$210,780, payable to Union Bank (this issue is being serviced principal and interest-by the Water & Wastewater Enterprise Funds). Matures 2011	859,964	-	166,625	693,339
Note payable to State of Vermont, \$18,000 available, interest at 0%, \$3,600 due annually beginning December 1, 2011. Matures December 1, 2015 (This issue is being serviced-principal and interest-by the Wastewater Fund).	17,425	258,575	-	276,000

City of St. Albans, Vermont
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE 5 NOTES AND BONDS PAYABLE (continued)

	Beginning Balance 6/30/08	Additions	Deletions	Ending Balance 6/30/09
Water System Improvement bond issued February 14, 1996, interest at 4.50% due in varying annual installments payable to U.S. Department of Agriculture (This issue is being serviced-principal and interest by the Water Enterprise Fund). Matures 02/14/2036	3,800,919	-	69,850	3,731,069
Note payable to Peoples Trust Co. issued April 21, 2009, interest at 2.75%, due in monthly principal and interest installments of \$10,581. Matures 2014.	-	592,483	18,688	573,795
Note payable to the State of Vermont, issued March 23, 2009, \$12,500 available, interest at 0.00% due in annual installments of \$2,500, beginning October 1, 2014.	-	4,033	-	4,033
Total Business - Type Activities	<u>\$5,056,569</u>	<u>\$ 855,091</u>	<u>\$ 474,138</u>	<u>\$5,437,522</u>

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

	Principal	Interest	Total
2010	\$ 444,668	\$ 223,702	\$ 668,370
2011	505,800	203,762	709,562
2012	588,841	185,732	774,573
2013	260,932	161,506	422,438
2014	246,903	157,270	404,173
Thereafter	<u>3,390,378</u>	<u>1,804,721</u>	<u>5,195,099</u>
Total	<u>\$5,437,522</u>	<u>\$2,736,693</u>	<u>\$8,174,215</u>

City of St. Albans, Vermont
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE 5 NOTES AND BONDS PAYABLE (continued)

<u>Governmental Activities:</u>	<u>Beginning Balance 6/30/08</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance 6/30/09</u>
Note payable to the Peoples Trust Co., interest at 4.39%, due August 31, 2025. (This note is being serviced – principal and interest – by the General Fund)	\$ 140,295	\$ -	\$ 5,593	\$ 134,702
Lease payable to SunTrust Leasing Co. for a street sweeper, interest at 4.89% with annual principal and interest payments of \$29,660. Matures 2008.	10,810	-	10,810	-
Note payable to the Peoples Trust Company for the Nason Street property; interest at 5.25%, due in monthly payments of \$997.17. This note matures May 1, 2017.	84,422	-	7,776	76,646
Note payable to Banknorth, N.A. for the purchase of a fire truck; interest at 6.45% with monthly principal payments of \$1,389, plus interest. This note matures June 12, 2015.	112,314	-	112,314	-
Note payable to Peoples Trust Company for the purchase of Building; interest at 4.88%, \$400,000 available. Due July 7, 2009	325,816	-	-	325,816
Note payable to Peoples Trust Company for the refinance of 2008 Tax anticipation note, interest at 3.250%, with monthly payments of principal and interest of \$5,285.88. Matures January 7, 2014.	-	292,360	22,472	269,888
Note payable to Peoples Trust Company for the refinance of Banknorth, N.A. note payable for the purchase of a fire truck, interest at 2.750%, with monthly payments of principal and interest of \$1,763.69. Matures April 28, 2014.	-	98,756	5,013	93,743

City of St. Albans, Vermont
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE 5 NOTES AND BONDS PAYABLE (continued)

	Beginning Balance 6/30/08	Additions	Deletions	Ending Balance 6/30/09
Note payable to the Vermont Municipal Bond Bank for retirement of the fund balance deficit in the general fund, interest varies from 1.9% to 4.87%, principal payments of \$100,000 are due November 15, 2010 and 2011, then \$95,000 November 15, 2012. Matures November 15, 2014.	-	485,000	5,518	479,482
Key Government Finance, Interest at 4.24% with annual principal and interest payments of \$40,414. Matures July 15, 2010.	67,210	48,668	40,005	75,873
Note payable to for the purchase of 27-33 Federal Street, interest at 6% until balloon payment on 05/28/2013.	-	225,000	6,036	218,964
Library bond issued July 22, 1999; interest at 5.0% with semi-annual payments of \$40,000 plus interest. This matures December 1, 2014.	<u>265,000</u>	<u>-</u>	<u>40,000</u>	<u>225,000</u>
Total Governmental Activities	<u>\$1,005,867</u>	<u>\$1,149,784</u>	<u>\$ 255,537</u>	<u>\$1,900,114</u>

Anticipated maturities are as follows for the long-term debt of governmental activities:

	Principal	Interest	Total
2010	\$ 497,560	\$ 77,952	\$ 575,512
2011	276,798	53,669	330,467
2012	241,638	43,532	285,170
2013	431,215	33,897	465,112
2014	229,157	15,896	245,053
Thereafter	<u>223,746</u>	<u>31,711</u>	<u>255,457</u>
	<u>\$1,900,114</u>	<u>\$ 256,657</u>	<u>\$2,156,771</u>

City of St. Albans, Vermont
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE 6 DEPOSITS AND INVESTMENTS

At June 30, 2009, the carrying amount of the government's deposits was \$1,212,618, and the bank balance was \$1,395,736 of which \$398,804 was covered by the federal depository insurance corporation, \$996,932 was covered by the right to offset mortgage loans with local banks.

NOTE 7 BUDGETARY INFORMATION

Per the City Charter, the City's General Fund is the only fund that must legally adopt a budget. As such, no comparison of actual to budget revenues, expenditures and changes in fund balance is presented for any other fund.

NOTE 8 PENSION PLAN

Plan Description

The City of St. Albans Pension Plan is a single-employer defined benefit pension plan administered by the City of St. Albans. The City of St. Albans Pension Plan provides retirement, disability and death benefits to plan members and beneficiaries.

Funding Policy

Plan members are required to contribute 2.5% of annual base earnings, excluding overtime and any other additional compensation. Effective July 1, 2001, a participant may elect to make required contributions of 7.5% of Annual Base Earnings. The City is required to contribute at an actuarially determined rate; the current rate is 5.51% of annual covered payroll.

Annual Pension Cost and Net Pension Obligation

The City's annual pension cost and net pension obligation to The City of St. Albans Pension Plan for the current year were as follows:

Annual required contribution	\$ 74,304
Normal Cost	99,859
Administrative expenses	22,600
Interest on net pension obligation	<u>13,062</u>
Annual pension cost	209,825
Contributions made	<u>(152,817)</u>
Increase (decrease) in net pension obligation	57,008
Net pension obligation beginning of year	<u>152,817</u>
 Net pension obligation end of year	 <u>\$ 209,825</u>

City of St. Albans, Vermont
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2009

NOTE 8 PENSION PLAN (continued)

The annual required contribution for the current year was determined as part of the December 31, 2006 actuarial valuation using the frozen entry age actuarial cost method. The actuarial assumptions include (a) 7.5% investment rate of return, (b) projected salary increases of 5% per year, compounded annually, attributable to inflation, (c) the assumption that benefits will not increase after retirement. The actuarial cost method used to calculate the plans normal cost and actuarial accrued liabilities is the Frozen Entity Age Actuarial Cost Method with actuarial accrued liabilities calculated by the Individual Entity Age Actuarial Cost Method.

Three-Year Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/06	\$ 188,790	100.0%	\$ 0
6/30/07	201,180	100.0%	0
6/30/08	152,817	100.0%	0
6/30/09	209,825	100.0%	0

Schedules of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) - Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
1/1/06	2,852,705	3,473,388	620,683	82.1	1,945,793	31.9
1/1/07	3,085,351	3,655,845	570,494	84.4	2,135,480	26.7
1/1/08	3,484,396	4,001,831	517,435	87.1	1,788,568	29.0
1/1/09	3,661,826	4,118,394	456,568	88.9	1,794,266	25.4

NOTE 9 BUDGET EXCEPTIONS

General fund expenditures exceeded budgeted appropriations by \$612,558 for the year ended June 30, 2009.

City of St. Albans, Vermont
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2009

NOTE 10 RESTRICTED CASH

The City had the following restricted cash at June 30, 2009:

Reappraisal	\$	146,937
Redevelopment		100,000
Federal Street Bypass		15,000
Water and Wastewater Debt Reduction and Capital Reserves		<u>199,031</u>
	\$	<u>460,968</u>

NOTE 11 RESTRICTED RESERVED FUND BALANCE

The City had the following restricted fund balance at June 30, 2009:

Public Works	\$	110,527
Redevelopment		<u>100,000</u>
	\$	<u>210,527</u>

Public Works – Restricted as a result of voter approval in a prior year.

Redevelopment – On December 23, 2008, the City received \$100,000 from JLD Properties of St. Albans, LLC, in accordance with conditions described in a Settlement Agreement dated November 19, 2008 between the City and JLD Davis Properties, and the State of Vermont Environmental Court Order, Docket No. 116-6-08 Vtec. According to the Agreement and Order, the purpose of this and related payments by JLD Properties to the City is the development and renovation of the downtown core of the City. Accordingly, the \$100,000 payment has been restricted for such use, and is not available for general government operations.

NOTE 12 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 is as follows:

<u>Governmental activities:</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Land	\$ 758,337	\$ 32,000	\$ -	\$ 790,337
Property Held For Sale	<u>312,000</u>	<u>-</u>	<u>(312,000)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>1,070,337</u>	<u>32,000</u>	<u>(312,000)</u>	<u>790,337</u>

City of St. Albans, Vermont
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE 12 CAPITAL ASSETS (continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated				
Buildings and improvements	2,338,106	192,999	-	2,531,105
Machinery and Equipment	1,328,941	178,740	(37,491)	1,470,190
Infrastructure	831,572	209,319	-	1,040,891
Total capital assets, being depreciated	<u>4,498,619</u>	<u>581,058</u>	<u>(37,491)</u>	<u>5,042,186</u>
Accumulated depreciation for				
Buildings and improvements	(1,313,778)	(45,861)	-	(1,359,639)
Machinery and Equipment	(728,498)	(97,039)	-	(825,537)
Infrastructure	(36,158)	(22,387)	37,491	(21,054)
Total accumulated depreciation	<u>(2,078,434)</u>	<u>(165,287)</u>	<u>37,491</u>	<u>(2,206,230)</u>
Total capital assets, being depreciated, net	<u>2,420,185</u>	<u>415,771</u>	<u>-</u>	<u>2,835,956</u>
Governmental activities, capital assets, net	<u>\$ 3,490,522</u>	<u>\$ 447,771</u>	<u>\$ (312,000)</u>	<u>\$ 3,626,293</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Business-type activities:</u>				
Water utility:				
Capital assets, not being depreciated				
Land	<u>\$ 155,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,000</u>
Capital assets, being depreciated				
Buildings and improvements	7,319,035	-	-	7,319,035
Machinery and equipment	1,088,253	42,061	-	1,130,314
Total capital assets, being depreciated	<u>8,407,288</u>	<u>42,061</u>	<u>-</u>	<u>8,449,349</u>
Accumulated depreciation for:				
Buildings and improvements	(2,218,762)	(97,558)	-	(2,316,320)
Machinery and equipment	(438,176)	(148,906)	-	(587,082)
Total accumulated depreciation	<u>(2,656,938)</u>	<u>(246,464)</u>	<u>-</u>	<u>(2,903,402)</u>
Total capital assets, being depreciated, net	<u>5,750,350</u>	<u>(204,403)</u>	<u>-</u>	<u>5,545,947</u>
Water utility, capital assets, net	<u>5,905,350</u>	<u>(204,403)</u>	<u>-</u>	<u>5,700,947</u>

City of St. Albans, Vermont
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE 12 CAPITAL ASSETS (continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Wastewater utility:				
Construction in progress	187,089	127,048	-	314,137
Wastewater utility:				
Capital assets, being depreciated				
Buildings and improvements	15,103,551	38,899	-	15,142,450
Machinery and equipment	2,474,712	338,290	-	2,813,002
Total capital assets, being depreciated	17,578,263	377,189	-	17,955,452
Accumulated depreciation for:				
Buildings and improvements	(5,421,159)	(303,730)	-	(5,724,889)
Machinery and equipment	(1,647,036)	(115,273)	-	(1,762,309)
Total accumulated depreciation	(7,068,195)	(419,003)	-	(7,487,198)
Total capital assets, being depreciated, net	10,510,068	(41,814)	-	10,468,254
Wastewater utility, capital assets, net	10,697,157	85,234	-	10,782,391
Business-type activities, capital assets, net	\$ 16,602,507	\$ (119,169)	\$ -	\$ 16,483,338

NOTE 13 SHORT-TERM DEBT

The following is a summary of changes in short-term debt for the year ended June 30, 2009:

	<u>Ending Balance 6/30/08</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance 6/30/09</u>
Tax Anticipation Note, (General Fund) Peoples Trust Co., \$485,000 available, interest at 2.900%, due December 27, 2008	\$ 485,000	\$ -	\$ 485,000	\$ -
Line of Credit (Water Fund) Peoples Trust Co. \$300,000 available, interest at 2.800%, due April 19, 2009	\$ 10,000	\$ -	\$ 10,000	\$ -

City of St. Albans, Vermont
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE 13 SHORT-TERM DEBT (continued)

	Ending Balance 6/30/08	Additions	Deletions	Ending Balance 6/30/09
Line of Credit (Sewer Fund), Peoples Trust Co., \$700,000 available, interest at 2.800%, due April 19, 2009	<u>\$ 594,000</u>	<u>\$ -</u>	<u>\$ 594,000</u>	<u>\$ -</u>

NOTE 14 NOTE RECEIVABLE

The following is a summary of notes receivable at June 30, 2009:

Various local business, interest varies from 1% - 4%	\$ 126,579
Allowance for uncollectible notes	<u>(94,000)</u>
Total	<u>\$ 32,579</u>

NOTE 15 RESERVED FUND BALANCES

Reserved fund balances at June 30, 2009 are as follows:

Water Fund

Capital and Deficit Reduction	<u>\$ 54,554</u>
-------------------------------	------------------

Wastewater Fund

Capital and Deficit Reduction	<u>143,554</u>
-------------------------------	----------------

TOTAL RESERVED FUND BALANCES	<u>\$ 198,108</u>
------------------------------	-------------------

NOTE 16 SUBSEQUENT EVENT

On December 1, 2009, the City signed a loan agreement with the Vermont Municipal Bond Bank to borrow \$2,519,943 to fund wastewater treatment facility improvements. \$1,000,000 will be subsidized by American Recovery and Reinvestment Funds. The remaining \$1,519,943 will be repaid annually, including a 2% admin fee over 20 years, beginning one year after the issuance of the Certificate of Completion for the project.

City of St. Albans, Vermont
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2009

NOTE 16 SUBSEQUENT EVENT (continued)

On February 1, 2010, the City signed a line of credit agreement with Peoples Trust Company to borrow up to \$1,000,000 in anticipation of proceeds from the Vermont Municipal Bond Bank. The line bears interest at 2.5% and expires February 1, 2011.

In accordance with FASB Accounting Standards Codification Topic 855, Subsequent Events, the City has evaluated subsequent events through February 12, 2010, which is the date these financial statements were issued. All subsequent events requiring recognition as of June 30, 2009, have been incorporated into these financial statements herein.

NOTE 17 PRIOR PERIOD ADJUSTMENT

The beginning net assets in the following funds have been adjusted to correct an error in calculating unbilled revenue in prior years:

Water Fund	\$ (101,341)
Wastewater Fund	<u>(58,105)</u>
	<u>\$ (159,446)</u>

NOTE 18 LOSS ON IMPAIRMENT OF INVESTMENT

During the year ended June 30, 2009, the City elected to recognize a \$312,000 loss on impairment of investment. The investment represents property held for sale. During the year ended June 30, 2009, the City became aware that the property could potentially require cleanup costs that exceed the cost of the building.

REQUIRED SUPPLEMENTARY INFORMATION

City of Saint Albans, Vermont
 REQUIRED SUPPLEMENTAL INFORMATION
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Taxes, interest and penalties	\$ 3,969,341	\$ 3,969,341	\$ 3,958,175	\$ (11,166)
Licenses and permits	86,500	86,500	80,058	(6,442)
Intergovernmental	322,800	322,800	401,416	78,616
Charges for services	468,500	468,500	440,798	(27,702)
Recreation Department	227,650	227,650	248,862	21,212
Fines	40,000	40,000	17,917	(22,083)
Interest on savings	17,000	17,000	11,560	(5,440)
Grant Revenue	-	-	199,916	199,916
Miscellaneous	22,000	22,000	203,191	181,191
TOTAL REVENUES	<u>5,153,791</u>	<u>5,153,791</u>	<u>5,561,893</u>	<u>408,102</u>
EXPENDITURES				
Current:				
General government	660,190	660,190	713,239	(53,049)
Public safety	3,281,976	3,281,976	3,330,406	(48,430)
Highways and streets	569,350	569,350	557,585	11,765
Sanitation	7,550	7,550	7,476	74
Parks and recreation	339,800	339,800	308,766	31,034
Miscellaneous	202,500	202,500	179,237	23,263
Grant expenditures	52,425	52,425	279,709	(227,284)
Capital Outlay	-	-	225,000	(225,000)
Debt Service	40,000	40,000	164,931	(124,931)
TOTAL EXPENDITURES	<u>5,153,791</u>	<u>5,153,791</u>	<u>5,766,349</u>	<u>(612,558)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(204,456)</u>	<u>(204,456)</u>
OTHER FINANCING SOURCES (USES)				
Other financing source	-	-	1,051,028	1,051,028
Operating transfer in	-	-	42,114	42,114
Operating transfer out	-	-	(8,000)	(8,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>1,085,142</u>	<u>1,085,142</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>-</u>	<u>-</u>	<u>880,686</u>	<u>880,686</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>(367,736)</u>	<u>(367,736)</u>	<u>(367,736)</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ (367,736)</u>	<u>\$ (367,736)</u>	<u>\$ 512,950</u>	<u>\$ 880,686</u>

City of Saint Albans, Vermont
OTHER SUPPLEMENTAL INFORMATION
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>General Government</u>				
City Manager				
Personal services	\$ 125,040	\$ 125,040	\$ 145,099	\$ (20,059)
Supplies	86,750	86,750	101,283	(14,533)
Other purchased services	8,000	8,000	22,007	(14,007)
Total City Manager	<u>219,790</u>	<u>219,790</u>	<u>268,389</u>	<u>(48,599)</u>
Senior Center	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Community Economic Development	<u>-</u>	<u>-</u>	<u>100,342</u>	<u>(100,342)</u>
Elections	<u>7,000</u>	<u>7,000</u>	<u>7,156</u>	<u>(156)</u>
Financial Administration				
Personal services	271,930	271,930	194,329	77,601
Supplies	31,400	31,400	18,717	12,683
Other purchased services	128,070	128,070	122,306	5,764
Total Financial Administration	<u>431,400</u>	<u>431,400</u>	<u>335,352</u>	<u>96,048</u>
Total General Government	<u>660,190</u>	<u>660,190</u>	<u>713,239</u>	<u>(53,049)</u>
<u>Public Safety</u>				
Police				
Personal services	1,427,250	1,427,250	1,268,494	158,756
Supplies	27,950	27,950	20,346	7,604
Other purchased services	80,965	80,965	103,776	(22,811)
Community justice center	55,000	55,000	49,469	5,531
Property	37,675	37,675	56,472	(18,797)
Total Police	<u>1,628,840</u>	<u>1,628,840</u>	<u>1,498,557</u>	<u>130,283</u>
Ambulance Services	<u>74,800</u>	<u>74,800</u>	<u>74,760</u>	<u>40</u>
Fire				
Personal services	948,180	948,180	913,466	34,714
Supplies	2,500	2,500	3,312	(812)
Other purchased services	34,900	34,900	41,019	(6,119)
Property	40,500	40,500	36,408	4,092
Total Fire	<u>1,026,080</u>	<u>1,026,080</u>	<u>994,205</u>	<u>31,875</u>

City of Saint Albans, Vermont
OTHER SUPPLEMENTAL INFORMATION
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Public Safety (cont'd)				
Animal Control				
Supplies	3,850	3,850	985	2,865
Other purchased services	<u>23,300</u>	<u>23,300</u>	<u>17,989</u>	<u>5,311</u>
Total Animal Control	<u>27,150</u>	<u>27,150</u>	<u>18,974</u>	<u>8,176</u>
Dispatching				
Personal services	458,056	458,056	611,829	(153,773)
Supplies	10,000	10,000	8,772	1,228
Other purchased services	37,550	37,550	30,062	7,488
Property	<u>19,500</u>	<u>19,500</u>	<u>93,247</u>	<u>(73,747)</u>
Total Dispatching	<u>525,106</u>	<u>525,106</u>	<u>743,910</u>	<u>(218,804)</u>
Total Public Safety	<u>3,281,976</u>	<u>3,281,976</u>	<u>3,330,406</u>	<u>(48,430)</u>
Highways and Streets				
Administration				
Personal Services	34,800	34,800	60,260	(25,460)
Supplies	5,000	5,000	1,159	3,841
Other purchased services	18,500	18,500	12,779	5,721
Property	<u>55,500</u>	<u>55,500</u>	<u>37,384</u>	<u>18,116</u>
Total Administration	<u>113,800</u>	<u>113,800</u>	<u>111,582</u>	<u>2,218</u>
Streets				
Personal services	216,700	216,700	189,260	27,440
Supplies	47,750	47,750	37,852	9,898
Other purchased services	179,000	179,000	208,792	(29,792)
Property	<u>12,100</u>	<u>12,100</u>	<u>10,099</u>	<u>2,001</u>
Total Streets	<u>455,550</u>	<u>455,550</u>	<u>446,003</u>	<u>9,547</u>
Total Highways and Streets	<u>569,350</u>	<u>569,350</u>	<u>557,585</u>	<u>11,765</u>
Sanitation				
Solid waste district	<u>7,550</u>	<u>7,550</u>	<u>7,476</u>	<u>74</u>
Parks and Recreation				
Personal services	159,675	159,675	191,277	(31,602)
Supplies	7,500	7,500	10,220	(2,720)
Other purchased services	160,625	160,625	102,564	58,061
Property	<u>12,000</u>	<u>12,000</u>	<u>4,705</u>	<u>7,295</u>
Total Parks and Recreation	<u>339,800</u>	<u>339,800</u>	<u>308,766</u>	<u>31,034</u>

City of Saint Albans, Vermont
OTHER SUPPLEMENTAL INFORMATION
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Highways and Streets (cont'd)</u>				
Miscellaneous				
Personal services - employee benefits	7,500	7,500	10,503	(3,003)
Insurance	90,000	90,000	108,384	(18,384)
Other	47,000	47,000	4,059	42,941
Court Diversion	2,400	2,400	2,400	-
Taxes	<u>55,600</u>	<u>55,600</u>	<u>53,891</u>	<u>1,709</u>
Total Miscellaneous	<u>202,500</u>	<u>202,500</u>	<u>179,237</u>	<u>23,263</u>
Grant Expenditures				
Police Block Grant	52,425	52,425	65,818	(13,393)
Fire Department Grant	-	-	76,962	(76,962)
Public Works Grant	-	-	<u>136,929</u>	<u>(136,929)</u>
Total Grant Expenditures	<u>52,425</u>	<u>52,425</u>	<u>279,709</u>	<u>(227,284)</u>
Capital Outlay				
Land Purchase	-	-	<u>225,000</u>	<u>(225,000)</u>
Debt Service				
Principal	24,000	24,000	112,579	(88,579)
Interest	<u>16,000</u>	<u>16,000</u>	<u>52,352</u>	<u>(36,352)</u>
Total Debt Services	<u>40,000</u>	<u>40,000</u>	<u>164,931</u>	<u>(124,931)</u>
TOTAL EXPENDITURES	<u>\$ 5,153,791</u>	<u>\$ 5,153,791</u>	<u>\$ 5,766,349</u>	<u>\$ (612,558)</u>