

**TOWN OF PITTSFORD, VERMONT**

**AUDIT REPORT**

**JUNE 30, 2009**

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AUDIT REPORT  
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## Independent Auditor's Report

Board of Selectmen  
Town of Pittsford  
P.O. Box 10, Plains Road  
Pittsford, Vermont 05763

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 Town of Pittsford, Vermont as of and for the year ended June 30, 2009, which collectively comprise the Town of Pittsford, Vermont's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Town of Pittsford, Vermont's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit, 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 the Town of Pittsford, Vermont, as of June 30, 2009 and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, Highway Fund and Village Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Information included under Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming our opinion on the financial statements that collectively comprise the Town of Pittsford, Vermont's basic financial statements. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

January 25, 2010  
Montpelier, Vermont  
Vt Lic. #92-000180

*Sullivan, Powers & Company*

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The Town of Pittsford (the "Town") herein sets forth an overview and analysis of its financial operations for the fiscal year ended June 30, 2009.

### ***Financial Highlights***

- Assets exceeded liabilities on June 30, 2009 by \$8,949,237 (*net assets*). Of this amount, \$1,463,046 (*unrestricted net assets*) may be used by the various funds of the Town to meet the Town's ongoing obligations.
- The Town's total net assets increased by \$1,130,582. Of this amount, net assets attributable to governmental activities increased by \$1,136,075. Net assets attributable to business-type activities decreased by \$5,493.

### ***Overview of the Town's Financial Statements:***

The annual financial report consists of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Town of Pittsford's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Town of Pittsford's assets and liabilities with the difference between the two reported as net assets.

The *statement of activities* presents information showing how the Town's net assets changed during the past fiscal year. The *statement of activities* is on a full accrual basis (i.e. all changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows) whereas the *statement of revenues, expenditures and changes in fund balance governmental funds* is on a modified accrual basis (i.e. revenue is recognized when it becomes measurable and available as net current assets, expenditures are recognized when the related liability is incurred). Thus in the *statement of activities* revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements combine information from governmental funds (which are supported primarily by tax dollars) with information from enterprise funds which are supported by user fees and charges (*business-type activities*). The governmental activities of the Town of Pittsford include general government, highways and streets, public safety, sanitation and culture and recreation. The business-type activities of the Town include Pittsford water operations, Florence water operations and sewer/wastewater treatment operations. The government-wide financial statements can be found in Exhibits A and B of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town has three types of funds: governmental funds, proprietary funds, and fiduciary funds. The proprietary funds of the Town are all Enterprise Funds, except for the Equipment Rental Fund which is an Internal Service Fund. Fund financial statements can be found in Exhibits C through M of this report.

**Notes to the financial statements.** The notes provide additional information that is necessary for an understanding of the information in the government-wide and fund financial statements. The notes to the financial statements follow the basic financial statements in this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information*. This supplementary information includes combining statements for various funds. The supplementary information can be found immediately following the notes to the financial statements.

**Statement of Net Assets**

	Governmental		Business-type		Total	
	Activities		Activities			
	FY2009	FY2008	FY2009	FY2008	FY2009	FY2008
Current and Other Assets	\$ 1,937,618	\$ 1,704,452	\$ 32,742	\$ 123,166	\$ 1,970,360	\$ 1,827,618
Capital Assets	5,485,349	4,674,083	3,614,033	3,463,155	9,099,382	8,137,238
Total Assets	<u>7,422,967</u>	<u>6,378,535</u>	<u>3,646,775</u>	<u>3,586,321</u>	<u>11,069,742</u>	<u>9,964,856</u>
Current Liabilities	93,060	89,967	65,155	30,035	158,215	120,002
Long-term Liabilities	998,725	1,093,461	963,565	932,738	1,962,290	2,026,199
Total Liabilities	<u>1,091,785</u>	<u>1,183,428</u>	<u>1,028,720</u>	<u>962,773</u>	<u>2,120,505</u>	<u>2,146,201</u>
Net Assets						
Invested in capital assets, net of						
Related Debt	4,504,153	3,593,685	2,659,246	2,538,024	7,163,399	6,131,709
Restricted	322,792	416,735	0	0	322,792	416,735
Unrestricted	1,504,237	1,184,687	(41,191)	85,524	1,463,046	1,270,211
Total Net Assets	<u>\$ 6,331,182</u>	<u>\$ 5,195,107</u>	<u>\$ 2,618,055</u>	<u>\$ 2,623,548</u>	<u>\$ 8,949,237</u>	<u>\$ 7,818,655</u>

As stated above, net assets exceeded liabilities by \$ 8,949,237 at the end of fiscal year 2009. Net assets at the end of fiscal year 2008 exceeded liabilities by \$7,818,655.

The largest portion of the Town’s net assets are in its investment in capital assets (80%). These assets are used to provide services to its citizens (e.g. land, buildings, equipment, infrastructure). Therefore these assets are not available for future spending. A portion (3.7%) of the Town’s assets are subject to restrictions on how they may be used (e.g. highway maintenance, highway and fire vehicle replacement, building maintenance). The remaining balance of unrestricted net assets (16.3%, or \$1,463,046) may be used to meet the government’s ongoing obligations to citizens and creditors. Some of the amounts included in unrestricted net assets have been designated by management for particular purposes (e.g. capital projects).

**Statement of Activities (Change in Net Assets)**

	Governmental Activities		Business-type Activities		Total	
	FY2009	FY2008	FY2009	FY2008	FY2009	FY2008
Revenues						
Program Revenues						
Charges for services	\$ 155,188	\$ 164,060	\$ 418,280	\$ 356,438	\$ 573,468	\$ 520,498
Operating grants and contributions	133,119	145,021	0	0	133,119	145,021
Capital grants and contributions	436,989	8,101	0	0	436,989	8,101
General Revenues						
Property taxes	2,096,025	1,629,682	0	0	2,096,025	1,629,682
Interest & Penalties on Delinquent Taxes	27,278	24,778	0	0	27,278	24,778
Unrestricted investment earnings/(loss)	(3,358)	34,340	2,866	4,737	(492)	39,077
General State Grants	47,014	37,393	0	0	47,014	37,393
Other revenues	1,096	1,804	17,220	140,000	18,316	141,804
Total Revenues	<u>2,893,351</u>	<u>2,045,179</u>	<u>438,366</u>	<u>501,175</u>	<u>3,331,717</u>	<u>2,546,354</u>
Expenses						
Governmental activities						
General Government	550,492	523,909	0	0	550,492	523,909
Highways & Streets	634,278	638,938	0	0	634,278	638,938
Public Safety	248,544	229,553	0	0	248,544	229,553
Sanitation	111,514	109,281	0	0	111,514	109,281
Culture and Recreation	159,565	148,336	0	0	159,565	148,336
Interest on Long-term Debt	52,883	58,096	0	0	52,883	58,096
Business-type activities						
Pittsford Water	0	0	119,144	105,601	119,144	105,601
Florence Water	0	0	45,595	43,671	45,595	43,671
Sewer	0	0	279,120	325,596	279,120	325,596
Total Expenses	<u>1,757,276</u>	<u>1,708,113</u>	<u>443,859</u>	<u>474,868</u>	<u>2,201,135</u>	<u>2,182,981</u>
Change in net assets	1,136,075	337,066	(5,493)	26,307	1,130,582	363,373
Net assets - Beginning of Year	<u>5,195,107</u>	<u>4,858,041</u>	<u>2,623,548</u>	<u>2,597,241</u>	<u>7,818,655</u>	<u>7,455,282</u>
Net assets - End of Year	<u>\$ 6,331,182</u>	<u>\$ 5,195,107</u>	<u>\$ 2,618,055</u>	<u>\$ 2,623,548</u>	<u>\$ 8,949,237</u>	<u>\$ 7,818,655</u>

Comparative information is provided for Fiscal Year 2008.

**Governmental activities.** Governmental activities increased the Town's net assets by \$1,136,075 in FY09. Major factors included an increase in property tax revenues and an increase in State grant income coupled with a decrease in expenses for general government, highways and streets, sanitation and interest on long-term debt.

**Business-type activities.** Business-type activities decreased the Town's net assets by \$5,493. Specifically, the Pittsford Water Fund had a current year surplus of \$34,806, whereas the Florence Water Fund and Sewer Fund had current year deficits of \$11,588 and \$28,711, respectfully.

The Pittsford Water Fund had a GAAP basis asset net gain of \$34,806 in FY09. This surplus was derived primarily from the sale of timber (\$17,220) on Water Fund Land and the hydrant fee (\$22,360) now being charged to the General Fund. Significant additional improvements have been required by the Water Supply Division. Those improvements were evaluated with the assistance of Otter Creek Engineering, which recommended upgrades to the water system at a total project cost (excluding engineering) of \$4,725,000 to be funded through loans and grants and scheduled for construction from September, 2009 through July, 2010. Additionally, the Agency of Transportation is planning to upgrade U.S. Route 7 through the Town of Pittsford. The impact on the Pittsford Water System's infrastructure will be financially significant. Water rates will more than double in the coming year to finance the approved upgrade to the water system. Unrestricted net assets (resources available to meet future obligations) were \$55,586 on June 30, 2009.

The Florence Water Fund had a GAAP basis net asset loss of \$11,588. This loss was primarily due to depreciation expense. See discussion under Pittsford Water Fund, above, as both systems are being upgraded.

Part of the Pittsford water system upgrade project will be the interconnection of the Pittsford and Florence systems. During 2010, the Pittsford and Florence water systems will be combined and the two separate funds will also be combined, with rates to increase to the State average of approximately \$400 per year. Unrestricted net assets (resources available to meet future obligations) were \$22,301 on June 30, 2009.

The Sewer Fund had a GAAP basis net asset loss of \$28,711. This loss was primarily the result of needed repairs, depreciation and low sewer rates.

The Agency of Natural Resources, Wastewater Division has required the system correct several problems at the treatment plant and to reduce ground water infiltration of the collection system. Additionally, the Agency of Transportation is planning to upgrade U.S. Route 7 through the Town of Pittsford. The impact on the Pittsford Sewer System's infrastructure will be financially significant. Unrestricted net assets (resources available to meet future obligations) were a negative balance of (\$119,078) on June 30, 2009.

## ***Financial Analysis of Major Governmental Funds***

### **The General Fund**

The General Fund balance increased \$404,350 from \$ 365,077 at the end of fiscal year 2008 to \$ 769,427 at the end of fiscal year 2009. Total revenues exceeded the budget by \$380,829. This can largely be attributed to (\$353,550) in excess revenue generated by an error in setting the tax rates. The remaining \$50,800 of the surplus may be attributed to the following:

- Better delinquent tax collections, therefore a decrease in deferred tax revenue of \$7,000; more than anticipated. Delinquent tax interest collections were \$ 2,712 greater than expected; State PILOT was \$10,664 more than anticipated; "current use" reimbursement was \$ 8,350 more than budgeted; ACT 68 revenue was \$6,897 more than budgeted; and investment interest was \$ 7,649 more than budgeted. These greater than budgeted revenues were partially offset by the receipt of \$15,416 less than budgeted in garbage bag charges and a fall-off in Day Camp registrations (likely weather-related).

- Total expenditures were \$ 23,521 less than budgeted, despite the overages in the several legal fees budget lines (caused by the need to defend against several lawsuits filed by a Town resident). Major contributors to this outcome were:
  - A. In the finance section of the budget, the lister's salaries, training and expenses were well below budget, saving approximately \$23,000. This was offset by paying the Assistant Treasurer \$6,255 more than planned due to vacancies in that office.
  - B. The Rutland County tax was \$ 2,932 less than anticipated.
  - C. Computer supplies and contracts were not spent, thus saving \$10,847.
  - D. The zoning labor was underspent by \$6,056 however offset by zoning and BCA legal expenses.
  - E. Waste removal fees were under budget by \$10,233, however the related revenue was also under budget.
  - F. The police budget was over budget by \$8,137 in total.

### **The Highway Fund**

The Highway Fund balance decreased \$21,191 from \$306,794 at the end of fiscal year 2008 to \$285,603 at the end of fiscal year 2009. Both revenues and expenses for FY09 were substantially over budget.

Revenues exceeded the budget by \$430,211. The majority of this is from State grant reimbursements from the West Creek Road Project and the Kendall Road Bridge Project. OMYA also contributed \$65,000 towards the Kendall Road Bridge Project.

Expenses exceeded the budget by \$451,402. The operational aspect of the budget was approximately \$163,000 under budget, however, the above mentioned projects attributed to \$620,704 of expenses. The fund saved approximately \$119,000 by not doing certain paving, saved \$10,000 on salt, however spent \$17,500 on new building improvements that were not budgeted.

### **Equipment Rental Fund**

The Equipment Rental Fund is an Internal Service Fund of the Town. This fund buys the majority of the Town Rolling stock (except police, fire and recreation) and then rents them to the applicable fund that uses the equipment. The majority of the revenue comes from the Highway Fund. At June 30, 2009, this fund had \$737,368 in net assets, however (54.5%) \$402,236 was invested in capital assets and the remaining \$335,132 was available for future purchases.

The Town has the following other reserve funds at June 30, 2009:

Designated for Village Fund – Sidewalks	\$ 28,232
Designated for Reappraisal Expenses	105,127
Designated for State Planning Grants	7,440
Designated for Cemetery Development	24,023
Designated for First Response Vehicle	12,629
Designated for Land Record Preservation	29,935
Designated for Veterans Memorial	704
Designated for Municipal Office Capital Improvements	54,168
Designated for Fire Department Capital	35,341
Designated for Patrol Car Fund	11,089
Designated for Town Garage	27,905
Designated for Mower Replacement	(761)
Designated for William Dennison Fund – Fire	69,691
Designated for Belcher Miracle Fund – Recreation	<u>2,016</u>
 Total Other Funds	 <u>\$407,539</u>

### **Restricted Net Assets and Reserved Fund Balances**

The restricted net assets were \$322,792 on June 30, 2009. These funds are reserved for specific future expenses, such as highway maintenance and other purposes determined by trust agreements.

The unreserved fund balance of the Governmental Funds was \$1,090,746 on June 30, 2009. These funds are available to address planned or unexpected expenses in the General Fund and other non-major governmental funds.

### **Capital Assets**

Governmental Capital Assets increased \$1,060,536 in FY09. This was the a result of construction being completed on West Creek Road, costly improvements being made to the Kendall Hill Road Bridge, payment towards a new fire truck and building improvements at the Highway Garage and Fire Station.

Business-Type Capital Assets acquisitions were primarily engineering contracts related to the new water line project and sewer plant upgrades.

### ***Long Term Debt***

All of the long term debt identified below is a general obligation of the Town of Pittsford, however it has been the practice to fund repayment of the various obligations from their respective funds. As of June 30, 2009, the Town General Fund had a capital/financing lease balance of \$46,196 for a fire truck. The Highway Fund has a bond balance of \$935,000, the proceeds of which were used for highway improvements. The Pittsford Water System has a bond balance (current plus noncurrent balance) of \$163,661 that was used for system improvements; the Florence Water System has a bond balance(current plus noncurrent balance) of \$33,636 again used for system improvements; and the Sewer System has three bonds (current plus noncurrent balances) totaling \$757,490 with all of the proceeds used to upgrade the sewer treatment plant and engineering for other improvements.

## *Economic Factors and Next Year's Budgets and Rates*

- The rate of inflation from December 2008 to December 2009 nationally was 1.8%. Increased costs for Health Care premiums, other insurances and all forms of energy are well above the inflation rate.
- The national economy has fallen into recession, with repercussions at the State and local levels of government. The outlook for 2010 is one of cautious optimism, with a massive federal stimulus funding to the State and municipalities of Vermont.

The following factors were considered in the development of budgets for FY10.

- **General Fund:** The budget for FY10 factors in moderate increases in health and dental insurance coverage for Town employees. The Town also reduced the amount raised by taxation by \$150,000.
- **Highway Fund/Bridge Repair:** In anticipation of the need for funding for the Phase II repair of the Kendall Hill Road Bridge and other bridge repair/replacement projects, the Select Board has maintained the amount budgeted annually for road/bridge repairs at to \$50,000 in the Highway budget for FY11.
- **Water Funds:** The Pittsford and Florence water funds (along with the sewer fund) have budgeted for the hiring of a full-time employee who is now working for both the water systems and sewer system. Water rates, historically low, will be doubled in a two-step process to meet a State funding mandate and assist with debt service arising from \$2,600,000 in loans helping the Town upgrade its water system.
- **Sewer Fund:** Improvements to the sewage collection system, chlorine contact and sludge handling processes are planned for FY10 and FY11. Loan and grant funding for these improvements is currently being sought. Meanwhile, \$50,000 has been budgeted for FY10 to cover the costs of some of the improvements to be made at the wastewater treatment facility.

The following factors will influence budgets in future fiscal years:

- As a result of the tax rate setting error in 2009, the Town will reduce taxes to be raised by at least \$353,550 in fiscal year 2011.
- The water system Study completed by Otter Creek Engineering has resulted in a \$4,725,000 water system upgrade project.
- Studies performed by Otter Creek Engineering and Weston & Sampson have identified the need for approximately \$1,000,000 in sewage collection upgrades and improvements to chlorine contact and sludge handling processes.
- The requirements of the Agency of Natural Resources and the Agency of Transportation's plans to upgrade U.S. Route 7 will have to be addressed in the next decade. While no definitive costs have been established at this time, the improvements that will have to be made to the Water and Sewer systems will be significant.
- The Town envisions building a 3-bay garage/storage/office facility to accommodate the Constable and Water & Sewer Superintendent's needs. The cost will far exceed the \$26,000 already set aside for the project. An additional \$6,000 has been budgeted in FY11 for the project.

This financial report is designed to provide a general overview of the Town of Pittsford, Vermont's financial condition. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Town of Pittsford, P.O. Box 10, 426 Plains Road, Pittsford, Vermont 05763.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF NET ASSETS  
JUNE 30, 2009

<u>ASSETS</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 1,490,530	\$ 0	\$ 1,490,530
Investments	100,405	41,305	141,710
Receivables (Net of Allowance for Uncollectibles)	84,079	189,449	273,528
Internal Balances	198,012	(198,012)	0
Inventories	59,912	0	59,912
Prepaid Expenses	4,680	0	4,680
Capital Assets:			
Land	103,699	68,355	172,054
Construction in Progress	276,626	228,635	505,261
Other Capital Assets, (Net of Accumulated Depreciation)	<u>5,105,024</u>	<u>3,317,043</u>	<u>8,422,067</u>
Total Assets	<u>7,422,967</u>	<u>3,646,775</u>	<u>11,069,742</u>
 <u>LIABILITIES</u>			
Accounts Payable	63,401	56,761	120,162
Accrued Payroll and Benefits Payable	16,002	3,384	19,386
Deferred Revenue	7,014	0	7,014
Accrued Interest Payable	6,643	5,010	11,653
Noncurrent Liabilities:			
Due within One Year	100,392	29,786	130,178
Due in More than One Year	<u>898,333</u>	<u>933,779</u>	<u>1,832,112</u>
Total Liabilities	<u>1,091,785</u>	<u>1,028,720</u>	<u>2,120,505</u>
 <u>NET ASSETS</u>			
Invested in Capital Assets, Net of Related Debt	4,504,153	2,659,246	7,163,399
Restricted	322,792	0	322,792
Unrestricted	<u>1,504,237</u>	<u>(41,191)</u>	<u>1,463,046</u>
Total Net Assets	<u>\$ 6,331,182</u>	<u>\$ 2,618,055</u>	<u>\$ 8,949,237</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
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 Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Functions/Programs:</b>							
<b>Governmental Activities:</b>							
General Government	\$ 550,492	\$ 44,177	\$ 15,568	\$ 0	(490,747)	\$ 0	\$ (490,747)
Highways & Streets	634,278	5,291	117,551	424,856	(86,580)	0	(86,580)
Public Safety	248,544	19,097	0	12,133	(217,314)	0	(217,314)
Sanitation	111,514	54,056	0	0	(57,458)	0	(57,458)
Culture and Recreation	159,565	32,567	0	0	(126,998)	0	(126,998)
Interest on Long-term Debt	52,883	0	0	0	(52,883)	0	(52,883)
<b>Total Governmental Activities</b>	<b>1,757,276</b>	<b>155,188</b>	<b>133,119</b>	<b>436,989</b>	<b>(1,031,980)</b>	<b>0</b>	<b>(1,031,980)</b>
<b>Business-Type Activities:</b>							
Pittsford Water	119,144	134,027	0	0	0	14,883	14,883
Florence Water	45,595	33,844	0	0	0	(11,751)	(11,751)
Sewer	279,120	250,409	0	0	0	(28,711)	(28,711)
<b>Total Business-Type Activities</b>	<b>443,859</b>	<b>418,280</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(25,579)</b>	<b>(25,579)</b>
<b>Total</b>	<b>\$ 2,201,135</b>	<b>\$ 573,468</b>	<b>\$ 133,119</b>	<b>\$ 436,989</b>	<b>(1,031,980)</b>	<b>(25,579)</b>	<b>(1,057,559)</b>
<b>General Revenues:</b>							
Property Taxes					2,096,025	0	2,096,025
Interest and Penalties on Delinquent Taxes					27,278	0	27,278
Unrestricted Investment Earnings/(Losses)					(3,358)	2,866	(492)
General State Grants					47,014	0	47,014
Other Revenues					1,096	17,220	18,316
<b>Total General Revenues</b>					<b>2,168,055</b>	<b>20,086</b>	<b>2,188,141</b>
Change in Net Assets					1,136,075	(5,493)	1,130,582
Net Assets - July 1, 2008					5,195,107	2,623,548	7,818,655
Net Assets - June 30, 2009					<b>\$ 6,331,182</b>	<b>\$ 2,618,055</b>	<b>\$ 8,949,237</b>

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2009

	General Fund	Highway Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash	\$ 1,343,884	\$ 146,646	\$ 0	\$ 1,490,530
Investments	0	0	100,405	100,405
Receivables (Net of Allowance for Uncollectibles)	83,385	419	0	83,804
Due from Other Funds	0	139,049	338,754	477,803
Prepaid Expenses	4,680	0	0	4,680
Inventory	1,689	42,662	0	44,351
 Total Assets	 \$ 1,433,638	 \$ 328,776	 \$ 439,159	 \$ 2,201,573
<u>LIABILITIES</u>				
Liabilities:				
Accounts Payable	\$ 20,015	\$ 40,195	\$ 1,397	\$ 61,607
Due to Other Funds	571,402	0	28,698	600,100
Interfund Loans Payable	0	0	1,525	1,525
Accrued Payroll and Benefits Payable	12,280	2,978	0	15,258
Deferred Revenue	60,514	0	0	60,514
 Total Liabilities	 664,211	 43,173	 31,620	 739,004
Fund Balances:				
Reserved for				
Inventory and Prepaid Expenses	6,369	42,662	0	49,031
Other Purposes	0	242,941	79,851	322,792
Unreserved, Reported In				
General Fund	763,058	0	0	763,058
Special Revenue Funds	0	0	199,946	199,946
Capital Project Funds	0	0	127,742	127,742
 Total Fund Balances	 769,427	 285,603	 407,539	 1,462,569
 Total Liabilities and Fund Balances	 \$ 1,433,638	 \$ 328,776	 \$ 439,159	

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 in the Funds.

5,083,113

Other Assets are not Available to Pay for Current-Period Expenditures, and, Therefore, are Deferred in the Funds.

53,500

The Equipment Rental Fund is used by Management to Charge the Costs of the Fleet to Individual Funds. The Assets and Liabilities of the Equipment Rental Fund is Included in Governmental Activities in the Statement of Net Assets

737,368

Long-Term and Accrued Liabilities are not Due or Payable in the Current Period and, Therefore, are Not Reported in the Funds.

(1,005,368)

Net Assets of Governmental Activities

\$ 6,331,182

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009

	General Fund	Highway Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property Taxes	\$ 1,271,918	\$ 813,663	\$ 18,944	\$ 2,104,525
Interest and Penalties on Delinquents	27,278	0	0	27,278
Intergovernmental Revenue	60,847	477,407	14,353	552,607
Investment Income/(Loss)	15,649	5,394	(27,998)	(6,955)
Permits, Fees and Fines	74,489	0	2,852	77,341
Charges for Services	66,649	555	0	67,204
Other	7,985	67,805	0	75,790
<b>Total Revenues</b>	<b>1,524,815</b>	<b>1,364,824</b>	<b>8,151</b>	<b>2,897,790</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	535,947	0	16,417	552,364
Highways and Streets	0	514,256	0	514,256
Public Safety	194,123	0	0	194,123
Sanitation	110,231	0	0	110,231
Culture and Recreation	155,093	0	0	155,093
<b>Capital Outlay:</b>				
General Government	1,115	0	9,125	10,240
Highways and Streets	0	736,131	0	736,131
Public Safety	22,344	0	278,529	300,873
Sanitation	1,159	0	0	1,159
<b>Debt Service:</b>				
Principal	14,202	85,000	0	99,202
Interest	3,783	50,628	0	54,411
<b>Total Expenditures</b>	<b>1,037,997</b>	<b>1,386,015</b>	<b>304,071</b>	<b>2,728,083</b>
<b>Excess/(Deficiency) of Revenues Over Expenditures</b>	<b>486,818</b>	<b>(21,191)</b>	<b>(295,920)</b>	<b>169,707</b>
<b>Other Financing Sources/(Uses):</b>				
Transfers In	32	0	82,500	82,532
Transfers Out	(82,500)	0	(32)	(82,532)
<b>Total Other Financing Sources/ (Uses)</b>	<b>(82,468)</b>	<b>0</b>	<b>82,468</b>	<b>0</b>
<b>Net Change in Fund Balances</b>	<b>404,350</b>	<b>(21,191)</b>	<b>(213,452)</b>	<b>169,707</b>
<b>Fund Balances - July 1, 2008</b>	<b>365,077</b>	<b>306,794</b>	<b>620,991</b>	<b>1,292,862</b>
<b>Fund Balances - June 30, 2009</b>	<b>\$ 769,427</b>	<b>\$ 285,603</b>	<b>\$ 407,539</b>	<b>\$ 1,462,569</b>

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
 RECONCILIATION OF THE STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN FUND BALANCES OF  
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2009

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Net change in fund balances - total government funds (Exhibit D)	\$	169,707
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets (\$1,048,403) is allocated over their estimated useful lives and reported as depreciation expense (\$197,449). This is the amount by which capital outlays exceeded depreciation in the current period.		850,954
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-in, loss on disposals, and donations) is to increase net assets		12,133
The issuance of long-term debt (\$0) (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt (\$99,202) consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.		99,202
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This amount reflects the reduction in deferred revenue over last year.		(8,500)
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. This amount represents the increase in balances of these expenditures over last year.		(2,938)
The Internal Service Fund Change in Net Assets is included with Governmental Activities		15,517
Change in net assets of governmental activities (Exhibit B)	\$	1,136,075

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenue:			
Property Taxes:			
Taxes	\$ 911,418	\$ 1,271,918	\$ 360,500
Interest on Delinquent Taxes	11,000	13,712	2,712
Penalty on Delinquent Taxes	14,000	13,566	(434)
Land Sales	0	1,000	1,000
Other Revenue	<u>0</u>	<u>96</u>	<u>96</u>
Total Property Taxes	<u>936,418</u>	<u>1,300,292</u>	<u>363,874</u>
Fees and Permits:			
First Class Liquor Licenses	300	200	(100)
Second Class Liquor Licenses	150	150	0
Junk Yard Licenses	25	25	0
Marriage Licenses	250	720	470
Burial Permits	0	25	25
Town Computer Purchases	500	0	(500)
Certified Copy Fees	1,000	1,064	64
Recording Fees	20,000	19,237	(763)
Photocopy Fees	1,200	2,295	1,095
DMV Fees	450	469	19
Posting Permits	0	5	5
Site Plan Review/Zoning Fees	3,000	2,930	(70)
Fire Wardens Permit Fees	200	515	315
Miscellaneous Fees	<u>0</u>	<u>231</u>	<u>231</u>
Total Fees and Permits	<u>27,075</u>	<u>27,866</u>	<u>791</u>
Intergovernmental Revenues:			
State PILOT	14,000	24,664	10,664
Current Use Reimbursement	14,000	22,350	8,350
Act 68 State Payments	1,400	8,298	6,898
Vermont Railroad Tax	<u>400</u>	<u>1,215</u>	<u>815</u>
Total Intergovernmental Revenues	<u>29,800</u>	<u>56,527</u>	<u>26,727</u>
Solid Waste:			
Annual User Permits	9,500	11,207	1,707
Garbage Bag Charges	56,000	40,584	(15,416)
Recycling Income	<u>500</u>	<u>2,265</u>	<u>1,765</u>
Total Solid Waste	<u>66,000</u>	<u>54,056</u>	<u>(11,944)</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Miscellaneous Receipts:</b>			
School Share of Election Costs	\$ 500	\$ 0	\$ (500)
Maclure Library Phone Reimbursement	1,100	905	(195)
Investment Interest	8,000	15,649	7,649
Pittsford Water Administration Fee	5,000	5,000	0
Florence Water Administration Fee	2,600	2,600	0
Sewer Administration Fee	6,000	6,000	0
Green Mountain Passport	0	36	36
	<u>23,200</u>	<u>30,190</u>	<u>6,990</u>
<b>Total Miscellaneous Receipts</b>			
<b>Recreation:</b>			
Annual Family Permits	2,500	2,135	(365)
Daily Gate Passes	2,000	1,645	(355)
Tennis Court Permits	150	65	(85)
Memorial Contributions	0	280	280
Group Picnic Charges	2,000	1,709	(291)
Food Vending Funds	200	0	(200)
Amusement Park Tickets	0	34	34
School Programs	2,000	1,904	(96)
CVPS Line Rent	25	25	0
Belcher-Mericle Interest	25	32	7
Recreation Area Donations	1,000	962	(38)
Youth League Registration	3,225	2,430	(795)
Girls Softball Registration	500	400	(100)
Youth League Donations	3,000	2,775	(225)
Day Camp Registrations	11,500	6,232	(5,268)
Summer Programs	2,500	2,318	(182)
Fall Programs	2,500	1,874	(626)
Winter Programs	3,000	2,965	(35)
Spring Programs	3,000	3,909	909
	<u>39,125</u>	<u>31,694</u>	<u>(7,431)</u>
<b>Total Recreation</b>			
<b>Animal Management Fees:</b>			
Dog Licenses	4,300	5,045	745
Poundkeeper Fees	0	80	80
	<u>4,300</u>	<u>5,125</u>	<u>825</u>
<b>Total Animal Management Fees</b>			

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Police:			
Traffic Fines	\$ 18,000	\$ 12,846	\$ (5,154)
Traffic Control	0	10	10
Insurance Reports	0	10	10
Miscellaneous Revenue	<u>100</u>	<u>436</u>	<u>336</u>
Total Police	<u>18,100</u>	<u>13,302</u>	<u>(4,798)</u>
Fire Department:			
Knox Lock Box Sales	0	1,475	1,475
Fire Department Reimbursements	<u>0</u>	<u>4,320</u>	<u>4,320</u>
Total Fire Department	<u>0</u>	<u>5,795</u>	<u>5,795</u>
Total Revenue	<u>1,144,018</u>	<u>1,524,847</u>	<u>380,829</u>
Expenditures:			
Legislation:			
Selectmen Services	6,000	6,000	0
Selectmen Expenses	1,750	369	1,381
Secretary/Clerk	1,500	268	1,232
Recording Secretary	<u>750</u>	<u>1,278</u>	<u>(528)</u>
Total Legislation	<u>10,000</u>	<u>7,915</u>	<u>2,085</u>
Management:			
Town Manager	55,928	57,606	(1,678)
Secretary	29,480	30,905	(1,425)
Bookkeeper	9,985	9,884	101
Mileage Reimbursement	0	43	(43)
Training	<u>2,000</u>	<u>2,008</u>	<u>(8)</u>
Total Management	<u>97,393</u>	<u>100,446</u>	<u>(3,053)</u>
Elections:			
Ballot Clerks	1,000	2,412	(1,412)
Notices, Warnings, Ads	400	0	400
Ballots and Supplies	1,000	897	103
Ballot Machine Setup	<u>1,500</u>	<u>2,739</u>	<u>(1,239)</u>
Total Elections	<u>3,900</u>	<u>6,048</u>	<u>(2,148)</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Finance:</b>			
Treasurer	\$ 23,868	\$ 23,936	\$ (68)
Assistant Treasurer	8,488	14,743	(6,255)
Tax Bills and Postage	1,100	1,395	(295)
CPA Audit	18,500	19,331	(831)
Town Report Coordinator	0	1,160	(1,160)
Town Report Printing	4,000	4,130	(130)
Town Report Postage	600	841	(241)
Lister's Services	24,950	10,197	14,753
Lister's Secretary	12,650	11,261	1,389
Lister's Expenses	10,000	2,439	7,561
Property Map Changes	2,600	2,205	395
Abatement Expense	0	190	(190)
Tax Collector Expenses	1,000	0	1,000
Tax Collection/Legal Fees	500	0	500
Training Fees	300	140	160
	<u>108,556</u>	<u>91,968</u>	<u>16,588</u>
<b>Total Finance</b>			
<b>Administration:</b>			
Town Clerk	31,448	31,696	(248)
Assistant Town Clerk	16,977	15,851	1,126
Mileage Reimbursement	0	21	(21)
Office Supplies	12,000	9,273	2,727
Computer Supplies	12,500	4,902	7,598
Computer Contracts	6,000	2,751	3,249
Website Maintenance/Expenses	750	720	30
Newsletter Printing and Postage	3,500	4,277	(777)
Postage - General	5,000	4,851	149
Legal Fees - General	4,000	11,378	(7,378)
State Dues - Clerk Association	80	40	40
Training Fees	500	40	460
	<u>92,755</u>	<u>85,800</u>	<u>6,955</u>
<b>Total Administration</b>			
<b>Boards and Agencies:</b>			
VLCT Dues	3,125	3,165	(40)
Rutland Economic Development Corporatior	500	375	125
Rutland Regional Planning Commission	800	750	50
Planning Commission Town Plan	3,000	4,817	(1,817)
Planning Commission - Clerical	1,400	1,277	123
Planning Commission - Legal Fees	500	3,411	(2,911)
Transportation	5,000	5,000	0
Labor-Zoning Administration	11,000	4,944	6,056
Zoning Clerical	0	336	(336)
Mileage Reimbursement	0	14	(14)

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Boards and Agencies/(Cont'd):</b>			
Labor-Zoning Board	\$ 1,060	\$ 0	\$ 1,060
Zoning Hearings	1,000	0	1,000
Zoning Expenses	500	971	(471)
Legal Fees - Zoning	6,000	19,778	(13,778)
Planning Grant Expense	400	1,758	(1,358)
Board of Civil Authority	4,000	702	3,298
Clerical - BCA	1,000	480	520
Legal - BCA	0	9,702	(9,702)
Miscellaneous/Training	0	105	(105)
<b>Total Boards and Agencies</b>	<b>39,285</b>	<b>57,585</b>	<b>(18,300)</b>
<b>Municipal Plant and Equipment:</b>			
Building Maintenance Supplies	1,000	1,377	(377)
Heating Fuel	5,761	2,763	2,998
Transfer Municipal Building Fund	5,000	5,000	0
Cemetery Development Fund	2,000	2,000	0
Contracts - Facilities	5,500	6,375	(875)
Copier Maintenance	4,000	3,991	9
Fire/Security Alarm Maintenance	600	1,933	(1,333)
Communications	100	0	100
Telephones	4,500	2,561	1,939
Maclure Library Phones	1,100	901	199
Modem Online Telephone	0	494	(494)
Building Repairs/Maint.	2,500	2,640	(140)
Utilities	5,000	4,449	551
Miscellaneous	0	12	(12)
<b>Total Municipal Plant and Equipment</b>	<b>37,061</b>	<b>34,496</b>	<b>2,565</b>
<b>Fire Warden</b>			
Burn Permit Expense	0	35	(35)
<b>Total Fire Warden</b>	<b>0</b>	<b>35</b>	<b>(35)</b>
<b>State Fees and Unbudgeted Expenses:</b>			
Timber Sale Expenses	0	201	(201)
Marriage License Fees	400	822	(422)
Emergency Management Fees	500	0	500
E-911 Contract Services	200	20	180
E-911 Mileage/ Supplies	100	9	91
Contracted Services - Accounting	0	1,900	(1,900)
Warnings - Meetings/Ordinance	300	0	300
Tax Abatement Costs	2,000	60	1,940
Ads/Special Meetings	100	80	20
Legal Fees - Not Budgeted	3,000	0	3,000
IRS Penalties and Interest	0	535	(535)
<b>Total State Fees and Unbudgeted Expenses</b>	<b>6,600</b>	<b>3,627</b>	<b>2,973</b>

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
Pittsford First Response:			
Tax Transfer - First Response	\$ 10,750	\$ 10,750	\$ 0
Total Pittsford First Response	10,750	10,750	0
Conservation:			
Fire Warden's Expenses	1,250	1,473	(223)
Aiken Resource Conservation	100	100	0
Rutland National Resource Conservation	250	250	0
Green Up Day Expenses	200	276	(76)
FICA/Medicare Expense	96	20	76
Total Conservation	1,896	2,119	(223)
Special Appropriations:			
Health Officer Labor	2,000	1,856	144
FICA/Medicare Expense	150	144	6
Rutland Community Services	3,020	3,020	0
Visiting Nurse/Hospice	4,931	4,931	0
R.C. Humane Society	1,000	1,000	0
Benn-Rut Opport. Council	925	925	0
Rutland West Neighborhood	900	900	0
Pittsford Cemetery Association	900	900	0
SWVT Council on Aging	1,100	1,100	0
Health Officer Expenses	100	7	93
Pittsford Historical Society	4,052	4,052	0
Rutland Senior Volunteer Program	427	427	0
Rutland Regional Ambulance Service	13,345	13,345	0
VT Center for Independent Living	314	314	0
Rutland County Adult Ed.	1,305	1,305	0
Association for Retarded Citizens	400	400	0
Rutland County Women's Network	200	200	0
Maclure Library	50,000	50,000	0
Memorial Day Flags	700	234	466
Town Service Fund	300	0	300
P.A.L.S. Program	450	450	0
Diversion/Restoration	3,600	3,600	0
Pittsford Food Shelf	1,000	1,000	0
Bowen Walker Appropriation	1,500	1,500	0
Equipment Rental Expense	600	210	390
Total Special Appropriations	93,219	91,820	1,399

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
Solid Waste Management:			
Labor - Facility	\$ 23,072	\$ 25,925	\$ (2,853)
Labor - Highway	2,500	3,387	(887)
FICA/Medicare	1,956	2,320	(364)
Insurance Workman's Comp.	2,000	2,927	(927)
Labor-Contract	200	270	(70)
New Equipment	0	1,159	(1,159)
Supplies	1,250	1,103	147
Telephone	330	301	29
Insurance - Property and Liability	347	321	26
Portalet Contract	1,800	1,729	71
Contracts/Material	0	123	(123)
Waste Removal Fees	61,775	51,542	10,233
RCSWD Surcharge	12,000	9,177	2,823
Tire Disposal Fees	200	110	90
State Franchise Tax	4,000	3,224	776
Equipment Rental/Maintenance	2,500	3,135	(635)
Container Rental/Purchase	2,300	1,650	650
Utilities	2,500	2,438	62
Equipment Maintenance	0	549	(549)
<b>Total Solid Waste Management</b>	<b>118,730</b>	<b>111,390</b>	<b>7,340</b>
Fire Hydrant			
Transfer to Water Department	22,360	22,360	0
<b>Total Fire Hydrant</b>	<b>22,360</b>	<b>22,360</b>	<b>0</b>
Police:			
Local Services	45,902	50,221	(4,319)
Clerical	2,449	2,132	317
FICA/Medicare	3,699	4,039	(340)
New Equipment	1,000	4,416	(3,416)
Supplies	1,500	456	1,044
Insurance - Property/Liability/Auto	2,596	4,582	(1,986)
Insurance - Worker's Compensation	2,200	2,822	(622)
Insurance - Car	1,190	1,171	19
Legal and Administration	500	527	(27)
Patrol Car - Fuel and Maintenance	10,500	9,729	771
Patrol Car Replace Fund	7,000	7,000	0
Equipment Maintenance	500	419	81
Communications	1,500	1,783	(283)
Training Fees	500	126	374
Reimbursement for Expenses	250	0	250
<b>Total Police</b>	<b>81,286</b>	<b>89,423</b>	<b>(8,137)</b>

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
Fire Department:			
Firemen Reimbursements	\$ 15,000	\$ 15,000	\$ 0
Firemen Labor	0	3,915	(3,915)
FICA/Medicare	0	300	(300)
FEMA Expenses	0	113	(113)
Building Fuel	6,500	4,406	2,094
Vehicle Fuel	3,500	552	2,948
Small Tools	1,000	28	972
Hose & Fittings	3,000	0	3,000
Protective Equipment	2,500	11,247	(8,747)
Supplies	2,000	782	1,218
Knox Box Lock Expense	0	1,475	(1,475)
Ins. - Worker's Comp	2,200	2,773	(573)
Ins. - Vehicles	4,862	4,683	179
Ins. - General Liability	1,400	1,328	72
Ins. - Accident	2,500	211	2,289
Ins. - Property	1,673	1,651	22
Telephone	3,800	2,284	1,516
Communications	3,000	2,639	361
Fire Alarm System	500	73	427
Building Maintenance	15,000	17,636	(2,636)
Truck Maintenance	7,500	6,024	1,476
Equipment Maintenance	1,500	7,224	(5,724)
New Equipment	5,000	0	5,000
Utilities	2,800	2,045	755
Training Fees	1,500	1,200	300
Mutual Aid Assoc. Fees	1,000	0	1,000
Pumper Truck Lease Payment	14,085	14,202	(117)
Pumper Truck - Interest	3,900	3,783	117
Vehicle Replacement Fund	62,500	62,500	0
<b>Total Fire Department</b>	<b>168,220</b>	<b>168,074</b>	<b>146</b>
Recreation Programs:			
Lifeguards	18,000	20,883	(2,883)
Management	32,334	36,234	(3,900)
Grounds Management	6,720	6,283	437
Summer Programs Labor	0	118	(118)
Day Camp Labor	7,000	8,626	(1,626)
FICA/Medicare	2,000	3,495	(1,495)
Supplies - Recreation Area General	1,500	1,616	(116)
Supplies - Day Camp	2,000	1,111	889
Spring Programs	2,000	3,739	(1,739)
Summer Programs	2,000	1,410	590

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
Recreation Programs/(Cont'd):			
Mower Maintenance & Fuel	\$ 1,000	\$ 1,387	\$ (387)
Fall Programs	2,000	2,049	(49)
Winter Programs	2,500	2,710	(210)
Mower Replacement Fund	6,000	6,000	0
Training	500	30	470
Pavilion Rental Deposit Refund	0	100	(100)
Signup Refunds	0	70	(70)
League Fees/Coaches, Umpires	1,000	1,159	(159)
Supplies - Youth League	2,000	2,139	(139)
OV Summer Softball Expense	1,000	1,013	(13)
State League Membership	165	150	15
Telephone	400	320	80
Communications	150	114	36
Ins. Property & Liability	760	881	(121)
Ins. Workman's Comp	2,325	3,254	(929)
Donation Expenses	1,000	975	25
Rubbish Removal Contract	1,200	1,663	(463)
Other Contract Services	250	0	250
Advertising	200	242	(42)
Portalet Contract	800	240	560
Ballfield Maintenance	1,000	0	1,000
Signs Replacement	100	395	(295)
Equipment Rentals	1,000	1,125	(125)
Utilities	1,000	566	434
Pool Water Tests	500	180	320
Trails & Bridging Maintenance	750	72	678
Capital Improvements	4,000	744	3,256
<b>Total Recreation Programs</b>	<b>105,154</b>	<b>111,093</b>	<b>(5,939)</b>
Animal Management:			
Animal Control	3,395	1,496	1,899
Mileage Reimbursement	0	21	(21)
FICA/Medicare	260	142	118
Supplies	500	513	(13)
Contract Services	600	314	286
Ins.- Property/Liability	47	50	(3)
Ins.- Workman's Comp.	100	287	(187)
Legal - Animal Control	200	0	200
Animal Census	500	0	500
Vet/Humane Shelter Fees	500	0	500
Rabies Fees To State	800	1,776	(976)
Postage	100	0	100
<b>Total Animal Management</b>	<b>7,002</b>	<b>4,599</b>	<b>2,403</b>

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Benefits and Town Insurance:</b>			
Medical Claim Payments	\$ 200	\$ 100	\$ 100
Retirement	13,500	13,820	(320)
Insurance - Employee Medical	50,000	38,472	11,528
Insurance - Employee Dental	4,651	4,041	610
Insurance - Employee Life	2,700	1,890	810
FICA/Medicare	22,000	19,439	2,561
Unemployment Compensation	700	1,302	(602)
Insurance - Bonding	800	771	29
Insurance - Workman's Comp	2,900	2,210	690
Insurance - Property/Liability	4,400	1,360	3,040
Insurance - Public Officials	7,400	9,876	(2,476)
	109,251	93,281	15,970
<b>Debt Service and Fixed Charges:</b>			
Rutland County Tax	30,600	27,668	2,932
	30,600	27,668	2,932
	1,144,018	1,120,497	23,521
Excess of Revenue Over Expenditures	\$ <u>0</u>	404,350	\$ <u>404,350</u>
Fund Balance - July 1, 2008		365,077	
Fund Balance - June 30, 2009		\$ 769,427	

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - HIGHWAY FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
Revenue:			
Property Taxes	\$ 813,663	\$ 813,663	\$ 0
State Aid	120,000	117,551	(2,449)
Overload Permits	250	445	195
Highway Access Permit	700	110	(590)
Grant Revenue	0	359,856	359,856
Investment Income	0	5,394	5,394
Special Projects	0	1,738	1,738
Donations	0	65,000	65,000
Miscellaneous	0	1,067	1,067
<b>Total Revenue</b>	<b>934,613</b>	<b>1,364,824</b>	<b>430,211</b>
Expenditures:			
General:			
Labor - Vacation and Services	21,000	15,916	5,084
Labor - Maintenance	36,000	28,738	7,262
Mileage Reimbursement	0	77	(77)
Social Security Contribution	13,000	11,409	1,591
Insurance - Retirement	11,000	10,658	342
Insurance - Medical	40,000	38,613	1,387
Insurance - Dental	3,435	3,392	43
Insurance - Life	2,400	1,663	737
Workman's Comp/Unemployment	16,000	15,959	41
Insurance - General Liability	10,450	9,874	576
Legal and Administrative	200	0	200
Training Fees	1,000	385	615
Equipment Rentals	2,100	15,450	(13,350)
Uniform Rentals	3,200	3,874	(674)
Advertising/Postage	1,000	1,014	(14)
Supplies	1,500	766	734
Building Expenses	0	17,500	(17,500)
<b>Total General</b>	<b>162,285</b>	<b>175,288</b>	<b>(13,003)</b>
Class II Maintenance:			
Labor	12,000	21,830	(9,830)
Cold Patch/Hot Mix	500	2,115	(1,615)
Signs and Posts	2,000	2,069	(69)
Calcium Chloride	500	0	500
Gravel/Stone	4,000	1,525	2,475
Culverts and Bands	3,000	0	3,000
Equipment Rentals	12,000	15,563	(3,563)
Paving	87,000	0	87,000
Contract Services	10,000	3,138	6,862
Supplies/Miscellaneous	500	382	118
<b>Total Class II Maintenance</b>	<b>131,500</b>	<b>46,622</b>	<b>84,878</b>
Class III Maintenance:			
Labor	50,000	40,337	9,663
Cold Patch and Hot Mix	0	2,001	(2,001)
Gravel/Stone	15,000	23,148	(8,148)
Culverts and Bands	5,000	2,839	2,161
Signs and Posts	2,000	2,667	(667)
Calcium Chloride	7,300	12,277	(4,977)

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - HIGHWAY FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
Class III Maintenance/(Cont'd):			
Equipment Rentals	\$ 65,000	\$ 54,618	\$ 10,382
Paving	125,000	93,327	31,673
Contracts and Supplies	5,000	7,796	(2,796)
Supplies/Miscellaneous	1,000	381	619
Total Class III Maintenance	275,300	239,391	35,909
Winter Maintenance:			
Labor	36,000	34,018	1,982
Gravel/Stone	5,000	0	5,000
Cold Patch	500	303	197
Sodium Chloride	64,000	53,623	10,377
Sand	18,000	20,635	(2,635)
Contract Services	2,000	0	2,000
Equipment Rentals	55,000	48,510	6,490
Miscellaneous	500	319	181
Total Winter Maintenance	181,000	157,408	23,592
Bridges:			
Labor	600	1,780	(1,180)
Covered Bridges Insurance	3,300	3,138	162
Guardrails	10,000	6,056	3,944
Bridge Replacement	25,000	0	25,000
Contract Services	4,000	0	4,000
Total Bridges	42,900	10,974	31,926
Special Projects:			
West Creek Road Engineering	0	1,229	(1,229)
Labor - West Creek Road	0	40	(40)
West Creek Road Construction	0	296,905	(296,905)
E911 Road Sign Installation	1,000	587	413
Sidewalks	5,000	0	5,000
Sidewalks - Arch Street	0	1,032	(1,032)
Labor - Kendall Hill Bridge	0	264	(264)
Advertising - Kendall Hill Bridge	0	897	(897)
Engineering - Kendall Hill Bridge	0	20,730	(20,730)
Construction - Kendall Hill Bridge	0	2,507	(2,507)
Sub-Contractors - Kendall Hill Bridge	0	296,464	(296,464)
Bridge Repair - Kendall Hill Bridge	0	49	(49)
Total Special Projects	6,000	620,704	(614,704)
Debt Service:			
Interest	50,628	50,628	0
Principal	85,000	85,000	0
Total Debt Service	135,628	135,628	0
Total Expenditures	934,613	1,386,015	(451,402)
Excess/(Deficiency) of Revenue Over Expenditures	\$ 0	(21,191)	\$ (21,191)
Fund Balance - July 1, 2008		306,794	
Fund Balance - June 30, 2009		\$ 285,603	

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - VILLAGE FUND  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue:			
Property Taxes	\$ 19,000	\$ 18,944	\$ (56)
Interest Income	<u>0</u>	<u>427</u>	<u>427</u>
Total Revenue	<u>19,000</u>	<u>19,371</u>	<u>371</u>
Expenditures:			
Village Street Lights	<u>19,000</u>	<u>16,417</u>	<u>2,583</u>
Total Expenditures	<u>19,000</u>	<u>16,417</u>	<u>2,583</u>
Excess of Revenue Over Expenditures	<u>\$ 0</u>	2,954	<u>\$ 2,954</u>
Fund Balance - July 1, 2008		<u>25,278</u>	
Fund Balance - June 30, 2009		<u>\$ 28,232</u>	

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2009

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Pittsford Water Fund	Florence Water Fund	Sewer Fund	Total	Equipment Rental Fund
<b>ASSETS</b>					
Current Assets:					
Investments	\$ 41,305	\$ 0	\$ 0	\$ 41,305	\$ 0
Receivables (Net of Allowance for Uncollectible Accounts)	56,680	20,301	112,468	189,449	275
Due from Other Funds	13,363	4,324	0	17,687	320,309
Interfund Loan Receivable	0	0	0	0	1,525
Inventory	0	0	0	0	15,561
<b>Total Current Assets</b>	<b>111,348</b>	<b>24,625</b>	<b>112,468</b>	<b>248,441</b>	<b>337,670</b>
Noncurrent Assets:					
Capital Assets					
Land	34,500	32,355	1,500	68,355	0
Construction in Progress	226,385	0	2,250	228,635	0
Buildings and Building Improvements	28,960	14,045	1,978,734	2,021,739	0
Vehicles, Machinery and Equipment	0	0	0	0	860,240
Distribution/Collection Systems	1,316,690	674,894	426,690	2,418,274	0
Less Accumulated Depreciation	(499,615)	(277,531)	(345,824)	(1,122,970)	(458,004)
<b>Total Noncurrent Assets</b>	<b>1,106,920</b>	<b>443,763</b>	<b>2,063,350</b>	<b>3,614,033</b>	<b>402,236</b>
<b>Total Assets</b>	<b>\$ 1,218,268</b>	<b>\$ 468,388</b>	<b>\$ 2,175,818</b>	<b>\$ 3,862,474</b>	<b>\$ 739,906</b>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	\$ 50,942	\$ 955	\$ 4,864	\$ 56,761	\$ 1,794
Due to Other Funds	0	0	215,699	215,699	0
Accrued Payroll	655	294	2,435	3,384	744
Accrued Interest Payable	803	170	4,037	5,010	0
General Obligation Bonds Payable - Current Portion	8,645	1,842	19,299	29,786	0
<b>Total Current Liabilities</b>	<b>61,045</b>	<b>3,261</b>	<b>246,334</b>	<b>310,640</b>	<b>2,538</b>
Noncurrent Liabilities					
Compensated Absences Payable	3,362	905	4,511	8,778	0
General Obligation Bonds Payable Noncurrent Portion	155,016	31,794	738,191	925,001	0
<b>Total Noncurrent Liabilities</b>	<b>158,378</b>	<b>32,699</b>	<b>742,702</b>	<b>933,779</b>	<b>0</b>
<b>Total Liabilities</b>	<b>219,423</b>	<b>35,960</b>	<b>989,036</b>	<b>1,244,419</b>	<b>2,538</b>
<b>NET ASSETS</b>					
Invested in Capital Assets, Net of Related Debt	943,259	410,127	1,305,860	2,659,246	402,236
Unrestricted	55,586	22,301	(119,078)	(41,191)	335,132
<b>Total Net Assets</b>	<b>998,845</b>	<b>432,428</b>	<b>1,186,782</b>	<b>2,618,055</b>	<b>737,368</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 1,218,268</b>	<b>\$ 468,388</b>	<b>\$ 2,175,818</b>	<b>\$ 3,862,474</b>	<b>\$ 739,906</b>

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Pittsford Water Fund	Florence Water Fund	Sewer Fund	Total	Equipment Rental Fund
Operating Revenues:					
Charges for Services	\$ 109,877	\$ 32,904	\$ 207,057	\$ 349,838	\$ 166,780
Penalties & Interest	1,790	940	2,969	5,699	0
Hydrant Fee	22,360	0	0	22,360	0
Contract - Otter Valley	0	0	26,573	26,573	0
Reserve Flow Fees	0	0	13,710	13,710	0
Miscellaneous	0	0	100	100	0
	<u>134,027</u>	<u>33,844</u>	<u>250,409</u>	<u>418,280</u>	<u>166,780</u>
Total Operating Revenues					
Operating Expenses:					
Labor	31,467	13,388	77,307	122,162	0
Social Security Contribution	2,129	857	5,714	8,700	0
Insurances - Medical, Dental & Life	5,763	962	12,083	18,808	0
Retirement	2,538	581	4,017	7,136	0
Workmen's Comp/Unemployment	1,798	1,170	3,367	6,335	0
Insurance - General Liability/Property	619	140	3,038	3,797	437
Supplies	1,767	1,213	13,124	16,104	6,902
Depreciation	17,900	10,347	33,814	62,061	51,821
Postage	526	210	100	836	0
Advertising	382	358	0	740	0
Telephone	295	0	1,942	2,237	388
Communications	79	55	259	393	1,004
Training	133	94	234	461	0
Property Tax	4,122	0	0	4,122	0
Contracts	2,241	1,194	4,839	8,274	51
Vermont Permit Renewals	3,055	969	209	4,233	0
Legal	722	750	0	1,472	0
Administration	5,000	2,600	6,000	13,600	0
Equipment Rental	13,200	6,668	8,953	28,821	254
Warranty Purchase	0	0	0	0	7,924
Utilities	1,346	0	15,450	16,796	3,533
Testing	633	487	2,993	4,113	350
Sludge/Refuse Removal	0	0	21,863	21,863	0
Maintenance	3,637	1,336	9,290	14,263	50,757
Facility Improvements	0	0	183	183	0
Projects	0	0	9,291	9,291	0
Engineering Studies	9,784	0	5,832	15,616	0
Miscellaneous	123	123	270	516	0
Building Fuel	0	0	2,871	2,871	0
Equipment Fuel	0	0	0	0	31,439
	<u>109,259</u>	<u>43,502</u>	<u>243,043</u>	<u>395,804</u>	<u>154,860</u>
Total Operating Expenses					
Operating Income/(Loss)	<u>24,768</u>	<u>(9,658)</u>	<u>7,366</u>	<u>22,476</u>	<u>11,920</u>
Nonoperating Revenues (Expenses):					
Timber Sales (Net of Expenses)	17,220	0	0	17,220	0
Investment Income	2,703	163	0	2,866	3,597
Interest Expense	(9,885)	(2,093)	(36,077)	(48,055)	0
	<u>10,038</u>	<u>(1,930)</u>	<u>(36,077)</u>	<u>(27,969)</u>	<u>3,597</u>
Total Nonoperating Revenues (Expenses)					
Change in Net Assets	34,806	(11,588)	(28,711)	(5,493)	15,517
Net Assets - July 1, 2008	<u>964,039</u>	<u>444,016</u>	<u>1,215,493</u>	<u>2,623,548</u>	<u>721,851</u>
Net Assets - June 30, 2009	<u>\$ 998,845</u>	<u>\$ 432,428</u>	<u>\$ 1,186,782</u>	<u>\$ 2,618,055</u>	<u>\$ 737,368</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Pittsford Water Fund	Florence Water Fund	Sewer Fund	Total	Equipment Rental Fund
<b>Cash Flows From Operating Activities:</b>					
Receipts from Customers and Users	\$ 113,469	\$ 25,597	\$ 237,786	\$ 376,852	\$ 166,780
Receipts from Interfund Services	22,360	0	0	22,360	0
Other Receipts	0	0	0	0	(98,833)
Payments to Suppliers	(37,720)	(8,400)	(101,331)	(147,451)	0
Payment for Interfund Services	(18,200)	(9,268)	(14,953)	(42,421)	0
Payments for Wages and Benefits	(43,641)	(15,671)	(97,334)	(156,646)	0
Net Cash Provided/(Used) by Operating Activities	<u>36,268</u>	<u>(7,742)</u>	<u>24,168</u>	<u>52,694</u>	<u>67,947</u>
<b>Cash Flows From Noncapital Financing Activities:</b>					
Interest Expense on Interfund Balances	0	0	(2,354)	(2,354)	0
Decrease in Interfund Loan Receivable	0	0	0	0	6,000
Timber Sales Revenue	17,220	0	0	17,220	0
(Increase)/Decrease in Due To/From Other Funds	72,102	6,494	31,982	110,578	(77,544)
Net Cash Provided/(Used) by Noncapital Financing Activities	<u>89,322</u>	<u>6,494</u>	<u>29,628</u>	<u>125,444</u>	<u>(71,544)</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>					
Acquisition and Construction of Capital Assets	(147,093)	(2,099)	(14,323)	(163,515)	0
Proceeds of Long-Term Debt	37,826	6,995	28,006	72,827	0
Principal Paid on:					
General Obligation Bonds	(8,005)	(1,707)	(33,459)	(43,171)	0
Interest Paid on:					
General Obligation Bonds	(9,935)	(2,104)	(34,020)	(46,059)	0
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>(127,207)</u>	<u>1,085</u>	<u>(53,796)</u>	<u>(179,918)</u>	<u>0</u>
<b>Cash Flows From Investing Activities:</b>					
Interest Received	1,617	163	0	1,780	3,597
Net Cash Provided by Investing Activities	<u>1,617</u>	<u>163</u>	<u>0</u>	<u>1,780</u>	<u>3,597</u>
Net Increase in Cash	0	0	0	0	0
Cash - July 1, 2008	0	0	0	0	0
Cash - June 30, 2009	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:</b>					
Operating Income/(Loss)	24,768	(9,658)	7,366	22,476	11,920
Depreciation	17,900	10,347	33,814	62,061	51,821
(Increase)/Decrease in Receivables	1,802	(8,247)	(12,624)	(19,069)	(275)
(Increase)/Decrease in Inventory	0	0	0	0	3,635
Increase/(Decrease) in Accounts Payable	(8,256)	(301)	(6,175)	(14,732)	102
Increase/(Decrease) in Accrued Payroll	(386)	(18)	1,191	787	744
Increase/(Decrease) in Compensated Absences Payable	440	135	596	1,171	0
Net Cash Provided by Operating Activities	<u>\$ 36,268</u>	<u>\$ (7,742)</u>	<u>\$ 24,168</u>	<u>\$ 52,694</u>	<u>\$ 67,947</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF FIDUCIARY NET ASSETS  
JUNE 30, 2009

	Private Purpose Trust Fund - Bowen Walker Fund <hr/>
 <u>ASSETS</u>	
Investments	\$ <u>28,635</u>
Total Assets	<u>28,635</u>
 <u>LIABILITIES</u>	
Liabilities	<u>0</u>
Total Liabilities	<u>0</u>
 <u>NET ASSETS</u>	
Net Assets:	
Reserved	<u>28,635</u>
Total Net Assets	<u><u>\$ 28,635</u></u>

The accompanying notes are an integral part of this financial statement.

TOWN OF PITTSFORD, VERMONT  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2009

	Private Purpose Trust Fund - Bowen Walker Fund
Additions:	
Investment Earnings:	
Interest Earnings	\$ <u>531</u>
Net Investment Earnings	<u>531</u>
Disbursements:	
Other	<u>531</u>
Total Disbursements	<u>531</u>
Change In Net Assets	0
Net Assets - July 1, 2008	<u>28,635</u>
Net Assets - June 30, 2009	<u><u>\$ 28,635</u></u>

The accompanying notes are an integral part of this financial statement.

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The Town of Pittsford, Vermont, (herein the "Town") was formed in 1761 and operates under a Selectboard-Manager form of government and provides the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, community/economic development, public improvements, planning, zoning, water, sewer and general administrative services.

## **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted by the Town of Pittsford (the "Town") conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The following is a summary of the more significant accounting policies employed in the preparation of these financial statements.

### **A. The Financial Reporting Entity**

This report includes all of the funds of the Town of Pittsford, Vermont. The reporting entity consists of the primary government; organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. Based on these criteria, there are no entities that should be combined with the financial statements of the Town.

### **B. Basis of Presentation**

The accounts of the Town are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts which comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled.

The basic financial statements of the Town include both government-wide statements and fund financial statements. The focus of the government-wide statements is on reporting the operating results and financial position of the Town as a whole and present a longer-term view of the Town's finances. The focus of the fund financial statements is on reporting on the operating results and financial position of the most significant funds of the Town and present a shorter-term view of how operations were financed and what remains available for future spending.

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Government-wide Statements: The statement of net assets and the statement of activities display information about the primary government, the Town. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of activities between funds. These statements distinguish between the governmental and business-type activities of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities and for each segment of the Town's business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Town's funds, including fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The Town reports on the following major governmental funds:

General Fund – This is the Town's main operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.

Highway Fund – This fund accounts for the Town's Highway Fund.

The Town reports on the following major proprietary funds:

Pittsford Water Fund – This fund accounts for the operations of the Pittsford Water Department of the Town.

Florence Water Fund – This fund accounts for the operation of the Florence Water Department of the Town.

Sewer Fund – This fund accounts for the operations of the Wastewater Department of the Town.

Additionally, the Town reports the following fund types:

Equipment Rental Fund – This Fund accounts for the rental of vehicles and certain equipment to various departments within the Town.

The Town also reports on a Private-Purpose Trust Fund for the monies held for the benefit of planting flowers at the memorials within the Town.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

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**C. Measurement Focus**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Government-wide financial statements are reported using the economic resources measurement focus. This means that all assets and liabilities associated with the operation of these funds (whether current or noncurrent) are included on the balance sheet (or statement of net assets). Equity (i.e., net total assets) is segregated into invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Governmental fund financial statements are reported using the current financial resources measurement focus. This means that only current assets and current liabilities are generally reported on their balance sheets. Their reported fund balances (net current assets) are considered a measure of available spendable resources, and are segregated into reserved and unreserved amounts. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

**D. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when occurred and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. “Measurable” means the amount of the transaction can be determined, and “available” means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town considers all revenues reported in governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, certain compensated absences and other long-term liabilities which are recognized when the obligations are expected to be liquidated or are funded with expendable available financial resources.

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and other grant requirements have been met.

The government-wide and proprietary fund financial statements follow Financial Accounting Standards Board (FASB) Statements and Interpretations and Accounting Principles Board (APB) Opinions; and Accounting Research Bulletins, issued on or before November 30, 1989; unless those pronouncements conflict with GASB pronouncements. As permitted under Statement of Governmental Accounting Standards No. 20, the Town has elected not to apply FASB Statements and Interpretations issued after November 30, 1989.

**E. Use of Estimates**

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**F. Assets, Liabilities and Equity**

**1. Cash**

Cash balances of most Town funds are deposited with and invested by the Town Treasurer. The Town considers all short-term investments of ninety (90) days or less to be cash equivalents.

**2. Investments**

The Town invests in investments as allowed by State Statute. Investments with readily determinable fair values are reported at their fair values on the balance sheet. Unrealized gains and losses are included in revenue.

**3. Receivables**

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

Unbilled revenues consist of revenues earned as of June 30, but not yet billed as of that date.

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**4. Internal Balances**

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” or “interfund loan receivable/payable”. All other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

**5. Inventories and Prepaid Expenses**

Inventory quantities are determined by physical count and are valued at the lower of cost or market. Inventories in the Proprietary Funds consist of fuel and materials.

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

Inventories and prepaid expenses of governmental funds in the fund financial statements are offset by a fund balance reserve which indicates that they do not constitute “available expendable resources” even through they are a component of net current assets.

**6. 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 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. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets’ lives are not capitalized. Infrastructure assets are reported starting with the fiscal year ended June 30, 2004. The Town has elected to not report major general infrastructure assets retroactively. The Town has not capitalized any interest costs.

Depreciable capital assets reported in the government-wide and proprietary fund financial statements are depreciated in order that the cost of these assets will be charged to expenses over their estimated service lives, generally using the straight-line method of calculating depreciation.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts) and estimated useful lives of capital assets are as follows:

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	<u>Capitalization Threshold</u>	<u>Estimated Service Life</u>
Land	\$ 1,000	Not Depreciated
Buildings and building improvements	5,000	40-100 Years
Vehicles	5,000	5-20 Years
Computers	1,000	4-6 Years
Equipment	1,000	5-20 Years
Infrastructure	5,000	30-50 Years
Water and Wastewater distribution and and collection systems	5,000	30-100 Years

**7. Compensated Absences**

It is the policy of the Town of Pittsford to permit employees to accumulate earned but unused vacation time up to forty-eight (48) hours and comp-time up to eighty (80) hours. No liability is reported for unpaid accumulated sick leave because it is not a vested benefit. Upon retirement, termination, or death, unused vacation time and comp-time is paid at current pay rates. The accrual for unused compensated absences is recorded in the government-wide and proprietary fund financial statements. The liability for unused compensated absences is not reported in Governmental Fund financial statements. Payment for unused compensated absences are recorded as expenditures in the year they are paid.

**8. Long-term Liabilities**

Long-term liabilities include bonds payable, capital leases 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 funds use the current financial resources measurement focus and only include current assets and liabilities on their balance sheets.

**9. Fund Equity**

Fund balances and Net Assets are classified based upon any reservations/restrictions that have been placed on those balances or any tentative plans management may have made for those balances. Reservations of fund balances and restrictions of net assets represent amounts that cannot be appropriated or are legally restricted for a specific purpose by a grant, contract, or other binding agreement. Designations of fund balance represent tentative management plans that are subject to change. Undesignated fund balances are available for future appropriations.

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**II. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND  
AND GOVERNMENT-WIDE STATEMENTS**

Governmental Fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting, while government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. These differences in the measurement focus and basis of accounting lead to differences between the governmental fund financial statements and the government-wide financial statements as follows:

Long-term revenue differences arise because governmental funds report revenues only when they are considered “available”, whereas government-wide statements report revenues when they occur. Long-term expense differences arise because governmental funds report expenditures (including interest) using the modified accrual basis of accounting, whereas government-wide statements report expenses using the accrual basis of accounting.

Capital-related differences arise because governmental funds report capital outlays as current period expenditures, whereas government-wide statements report depreciation as an expense. Further, governmental funds report the proceeds from the sale of capital assets as an other financing source, whereas government-wide statements report the gain or loss from the sale of capital assets as revenue.

Long-term debt transaction differences arise because governmental funds report bond proceeds as other financing sources and principal payments as expenditures, whereas government-wide statements report those transactions as increases and decreases in liabilities, respectively.

**A. Governmental Funds Balance Sheet and the Statement of Net Assets**

The differences between the governmental funds balance sheet and government-wide statement of net assets are as follows:

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	Balance Sheet	Long-term Revenues/ Expenses	Capital Related/ Long-Term Debt Items	Internal Service Fund Items	Elimination of Interfund Balances	Statement of Net Assets
<b>ASSETS</b>						
Cash	\$ 1,490,530	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,490,530
Investments	100,405	0	0	0	0	100,405
Receivables	83,804	0	0	275	0	84,079
Due from Other Funds	477,803	0	0	320,309	(600,100)	198,012
Interfund Loan Receivable	0	0	0	1,525	(1,525)	0
Inventories	44,351	0	0	15,561	0	59,912
Prepaid Expenses	4,680	0	0	0	0	4,680
Capital Assets	0	0	5,083,113	402,236	0	5,485,349
Total Assets	<u>2,201,573</u>	<u>0</u>	<u>5,083,113</u>	<u>739,906</u>	<u>(601,625)</u>	<u>7,422,967</u>
<b>LIABILITIES</b>						
Accounts Payable	61,607	0	0	1,794	0	63,401
Due to Other Funds	600,100	0	0	0	(600,100)	0
Accrued Payroll and Benefits Payable	15,258	0	0	744	0	16,002
Interfund Loan Payable	1,525	0	0	0	(1,525)	0
Deferred Revenue	60,514	(53,500)	0	0	0	7,014
Accrued Interest Payable	0	6,643	0	0	0	6,643
Noncurrent Liabilities	0	17,529	981,196	0	0	998,725
Total Liabilities	<u>739,004</u>	<u>(29,328)</u>	<u>981,196</u>	<u>2,538</u>	<u>(601,625)</u>	<u>1,091,785</u>
<b>NET ASSETS</b>						
Invested in Capital Assets	0	0	4,101,917	402,236	0	4,504,153
Other	1,462,569	29,328	0	335,132	0	1,827,029
Total Net Assets	<u>\$ 1,462,569</u>	<u>\$ 29,328</u>	<u>\$ 4,101,917</u>	<u>\$ 737,368</u>	<u>\$ 0</u>	<u>\$ 6,331,182</u>

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**B. Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities**

The differences between the governmental funds statement of revenues, expenditures and changes in fund balances and government-wide statement of activities are as follows:

	Statement of Revenue, Expenditures and Changes in Fund Balances	Long-term Revenues/ Expenses	Capital Related/ Long-Term Debt Items	Internal Service Fund Items	Reclassifications and Elimination of Interfund Activity	Statement of Activities
<b>REVENUES</b>						
Taxes	\$ 2,104,525	\$ (8,500)	\$ 0	\$ 0	\$ 0	\$ 2,096,025
Penalties and Interest	27,278	0	0	0	0	27,278
Intergovernmental Revenues	552,607	0	12,133	0	52,382	617,122
Investment Income/(Loss)	(6,955)	0	0	3,597	0	(3,358)
Permits, Fees and Fines	77,341	0	0	0	(77,341)	0
Charges for Services	67,204	0	0	166,780	(78,796)	155,188
Other Revenues	75,790	0	0	0	(74,694)	1,096
Transfers from Other Funds	82,532	0	0	0	(82,532)	0
<b>Total Revenues</b>	<b>2,980,322</b>	<b>(8,500)</b>	<b>12,133</b>	<b>170,377</b>	<b>(260,981)</b>	<b>2,893,351</b>
<b>EXPENDITURES</b>						
General Government	552,364	1,122	10,816	0	(13,810)	550,492
Highways and Streets	514,256	908	128,777	154,860	(164,523)	634,278
Public Safety	194,123	429	53,992	0	0	248,544
Sanitation	110,231	260	1,252	0	(229)	111,514
Culture and Recreation	155,093	1,747	2,612	0	113	159,565
Capital Outlay	1,048,403	0	(1,048,403)	0	0	0
Debt Service	153,613	(1,528)	(99,202)	0	0	52,883
Transfers to Other Funds	82,532	0	0	0	(82,532)	0
<b>Total Expenditures</b>	<b>2,810,615</b>	<b>2,938</b>	<b>(950,156)</b>	<b>154,860</b>	<b>(260,981)</b>	<b>1,757,276</b>
Net Change for the Year	\$ <u>169,707</u>	\$ <u>(11,438)</u>	\$ <u>962,289</u>	\$ <u>15,517</u>	\$ <u>0</u>	\$ <u>1,136,075</u>

**III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

Budgets are approved at the annual Town Meeting in March. Any budget changes require voter approval. There were no budget amendments during the year.

**B. Excess of Expenditures Over Appropriations**

For the year ended June 30, 2009, expenditures exceeded appropriations in the Highway Fund by \$451,402. These were funded by excess unbudgeted revenues.

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**IV. DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

Cash and investments are comprised of the following:

Cash	\$1,490,530
Investments - Certificates of Deposit	72,126
Investments - Mutual Funds – Equities	<u>98,219</u>
 Total	 <u>\$1,660,875</u>

Investments are limited to insured bank deposits, U.S. Treasury or agency securities, money market funds and equity mutual funds that are registered to do business in Vermont and are regulated by the FDIC and or SIPC.

The Town does not have an investment policy that addresses custodial credit risk, credit risk, interest rate risk or concentration of credit risk.

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 possession of another party. The Town does not have any policy to limit the exposure to custodial credit risk. The Town’s mutual funds are not exposed to custodial credit risk. The table below shows the custodial credit risk of the Town’s cash and certificates of deposit.

	<u>Book Balance</u>	<u>Bank Balance</u>
Insured - (FDIC)	\$ 468,773	\$ 468,773
Uninsured, Collateralized by U.S. Government Securities Held by the Bank in the Town’s Name	1,093,558	1,264,413
Cash on Hand	<u>325</u>	<u>0</u>
 Total	 <u>\$1,562,656</u>	 <u>\$1,733,186</u>

The difference between the book balance and the 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 rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value of changes in market interest rates. The Town does not have policy to limit its exposure to interest rate risk.

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Information about the sensitivity of the fair values of the Town's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Town's investments by maturity. When available, mutual funds are shown at their weighted average maturity. The certificates of deposit are not subject to the interest rate risk disclosure requirements.

<u>Investment Type</u>	<u>Less Than 1 Year</u>	<u>1 to 2 Years</u>	<u>2 to 3 Years</u>	<u>Not Available</u>	<u>Total</u>
Mutual Funds	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>98,219</u>	\$ <u>98,219</u>
Total	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>98,219</u></u>	\$ <u><u>98,219</u></u>

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The equity mutual funds and certificates of deposit are exempt from the credit risk analysis.

Concentration of Credit Risk

Concentration of credit risk is the risk that a large percentage of the Town's investments are held within one security. The Town has no limit on the amount that they may invest with any one issuer, however, the Town tries to diversify to seek the maximum FDIC coverage at each financial institution. The Town does not have any investment in any one issuer, other than mutual funds, that represent more than 5% of total investments.

**B. Receivables**

Receivables at June 30, 2009, as reported in the statement of net assets, net of applicable allowances for uncollectible accounts, are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Delinquent Taxes	\$ 71,645	\$ 0	\$ 71,645
Penalties and Interest	12,391	530	12,921
Billed Services	0	4,875	4,875
Unbilled Services	0	180,611	180,611
Miscellaneous	3,043	3,433	6,476
Allowance for Doubtful Accounts	(3,000)	0	(3,000)
	<u>\$ 84,079</u>	<u>\$ 189,449</u>	<u>\$ 273,528</u>

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**C. Capital Assets**

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 103,699	\$ 0	\$ 0	\$ 103,699
Construction in Progress	32,570	276,626	32,570	276,626
Total Capital Assets, Not Being Depreciated	<u>136,269</u>	<u>276,626</u>	<u>32,570</u>	<u>380,325</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	718,875	60,593	0	779,468
Vehicles	1,427,010	0	0	1,427,010
Computers	34,433	0	0	34,433
Equipment	285,885	4,687	0	290,572
Infrastructure	3,595,207	751,200	0	4,346,407
Totals	<u>6,061,410</u>	<u>816,480</u>	<u>0</u>	<u>6,877,890</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	248,033	12,955	0	260,988
Vehicles	571,469	80,037	0	651,506
Computers	21,419	5,723	0	27,142
Equipment	87,973	23,401	0	111,374
Infrastructure	594,702	127,154	0	721,856
Totals	<u>1,523,596</u>	<u>249,270</u>	<u>0</u>	<u>1,772,866</u>
Total Capital Assets, Being Depreciated	<u>4,537,814</u>	<u>567,210</u>	<u>0</u>	<u>5,105,024</u>
Governmental Activities Capital Assets, Net	<u>\$ 4,674,083</u>	<u>\$ 843,836</u>	<u>\$ 32,570</u>	<u>\$ 5,485,349</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-Type Activities</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 68,355	\$ 0	\$ 0	\$ 68,355
Construction in Progress	29,868	198,767	0	228,635
Total Capital Assets, Not Being Depreciated	<u>98,223</u>	<u>198,767</u>	<u>0</u>	<u>296,990</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	2,007,567	14,172	0	2,021,739
Distribution and Collection Systems	2,418,274	0	0	2,418,274
Totals	<u>4,425,841</u>	<u>14,172</u>	<u>0</u>	<u>4,440,013</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	173,151	1,144	0	174,295
Distribution and Collection Systems	887,758	60,917	0	948,675
Totals	<u>1,060,909</u>	<u>62,061</u>	<u>0</u>	<u>1,122,970</u>
Total Capital Assets, Being Depreciated	<u>3,364,932</u>	<u>(47,889)</u>	<u>0</u>	<u>3,317,043</u>
Business-Type Activities Capital Assets, Net	<u>\$ 3,463,155</u>	<u>\$ 150,878</u>	<u>\$ 0</u>	<u>\$ 3,614,033</u>

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JUNE 30, 2009

Depreciation was charged as follows:

Governmental Activities:		Business - Type Activities:	
General Government	\$ 10,816	Pittsford Water	\$ 17,900
Public Safety	53,992	Florence Water	10,347
Highways and Streets	180,598	Sewer	<u>33,814</u>
Sanitation	1,252		
Culture and Recreation	<u>2,612</u>		
 Total Depreciation Expense - Governmental Activities	   \$ <u>249,270</u>	 Total Depreciation Expense - Business- Type Activities	   \$ <u>62,061</u>

**D. Interfund Balances and Activity**

The composition of due to/from other funds at June 30, 2009 is as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 0	\$ 571,402
Highway Fund	139,049	0
Other Governmental Funds	338,754	28,698
Pittsford Water Fund	13,363	0
Florence Water Fund	4,324	0
Sewer Fund	0	215,699
Equipment Rental Fund	<u>320,309</u>	<u>0</u>
 Total	  \$ <u>815,799</u>	  \$ <u>815,799</u>

The composition of interfund loan receivables/payable at June 30, 2009 is as follows:

<u>Fund</u>	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
Equipment Rental Fund	\$ 1,525	\$ 0
Mower Replacement Fund	<u>0</u>	<u>1,525</u>
 Total	  \$ <u>1,525</u>	  \$ <u>1,525</u>

The interfund balance is the result of the Mower Replacement Fund borrowing from the Equipment Fund to purchase a new mower. Interest will be paid at the end of the note based on average monthly interest rate.

TOWN OF PITTSFORD, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009

Interfund transfers for the year ended June 30, 2009 were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Municipal Office Fund	\$ 5,000	Annual Funding
General Fund	Cemetery Development Fund	2,000	Annual Funding
General Fund	Fire Department Fund	62,500	Annual Funding
General Fund	Patrol Car Fund	7,000	Annual Funding
General Fund	Mower Replacement Fund	6,000	Annual Funding
Belcher Mericle Fund	General Fund	<u>32</u>	Annual Funding
Total		<u>\$ 82,532</u>	

**E. Deferred Revenue**

Deferred Revenue in the General Fund consists of \$53,500 of delinquent property taxes, penalty and interest on taxes that are not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities. Also included are \$392 of prepaid property taxes and \$6,622 of recreation fees for fiscal year 2010. Total deferred revenue in the General Fund is \$60,514.

**F. Long-term Liabilities**

General Obligation Bonds. The Town 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.

General obligation bonds are direct obligations and pledge the full faith and credit of the Town. New bonds generally are issued as 10 to 20 year bonds.

Capital Lease Obligations. The Town enters into lease agreements as the lessee for the purpose of financing the acquisition of major pieces of equipment. These lease agreements qualify as capital lease obligations for accounting purposes (even though they may include clauses that allow for cancellation of the lease in the event the Town does not appropriate funds in future years) and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date of the leases. Leases are reported in governmental activities if the debt is expected to be repaid from general governmental revenue and in business-type activities if the debt is expected to be repaid from proprietary fund revenues.

TOWN OF PITTSFORD, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009

Compensated Absences. It is the policy of the Town of Pittsford, Vermont to permit employees to accumulate earned but unused benefits. The accrual for unused compensated absences time, based on current pay rates, is recorded in the government-wide financial statements and proprietary fund financial statements.

Long-Term Liabilities outstanding as of June 30, 2009 were as follows:

	<u>Beginning Balance 07/01/08</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance 06/30/09</u>
Governmental Activities:				
Bond Payable - Vermont Municipal Bond Bank - Highway Improvements, Principal Payments of \$85,000 Due Annually on December 1, Interest at 5.0226% Due Semi-Annually on June 1 and December 1, Due December, 2019	\$1,020,000	\$ 0	\$ 85,000	\$935,000
Capital Lease Payable Fire Pumper Truck - Associates Commercial Municipal Financing, Annual Principal and Interest Payments of \$17,985, Interest at 5.32%, Due July, 2012	<u>60,398</u>	<u>0</u>	<u>14,202</u>	<u>46,196</u>
Total Governmental Activities	<u>\$1,080,398</u>	<u>\$ 0</u>	<u>\$ 99,202</u>	<u>\$981,196</u>

	<u>Beginning Balance 07/01/08</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance 06/30/09</u>
Business-Type Activities:				

Pittsford Water Fund

Bond Payable - Vermont Municipal Bond Bank - Pittsford Water System Improvements, Principal Payments Ranging from \$2,667 to \$17,426 Due Annually on December 1, Interest Ranging from 5.7% to 7.65% Due Semi-Annually on June 1 and December 1, Due December, 2018	\$133,840	\$ 0	\$8,005	\$125,835
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TOWN OF PITTSFORD, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009

	<u>Beginning Balance 07/01/08</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance 06/30/09</u>
Bond Payable – State of Vermont Special Environmental Revolving Fund, Water Planning Loan, Pittsford Water System Authorized to \$35,675, 0% Interest, \$7,135 Due Annually Beginning 2013, Due 2017	\$ 0	\$ 30,831	\$ 0	\$ 30,831
Bond Payable – State of Vermont Special Environmental Revolving Fund, Water Planning Loan, Pittsford Water System Authorized to \$56,995, 0% Interest, \$11,399 Due Annually Beginning 2014, Due 2018	<u>0</u>	<u>6,995</u>	<u>0</u>	<u>6,995</u>
Total Pittsford Water Fund	<u>133,840</u>	<u>37,826</u>	<u>8,005</u>	<u>163,661</u>
 <u>Florence Water Fund</u>				
Bond Payable - Vermont Municipal Bond Bank, Florence Water System Improvements, Principal Payments Ranging from \$584 to \$3,673 Due Annually on December 1, Interest Ranging from 5.8% to 7.654% Due Semi-Annually on June 1 and December 1, Due December, 2018	28,348	0	1,707	26,641
Bond Payable – State of Vermont Special Environmental Revolving Fund, Water Planning Loan, Pittsford Water System Authorized to \$56,995, 0% Interest, \$11,399 Due Annually Beginning 2014, Due 2018	<u>0</u>	<u>6,995</u>	<u>0</u>	<u>6,995</u>
Total Florence Water Fund	<u>28,348</u>	<u>6,995</u>	<u>1,707</u>	<u>33,636</u>

TOWN OF PITTSFORD, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009

	<u>Beginning Balance 07/01/08</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance 06/30/09</u>
<u>Sewer Fund</u>				
Bond Payable - Vermont Municipal Bond Bank, Sewer System Improvements, Principal Payments of \$20,000 Due Annually on December 1, Until 2006 and 15,000 Thereafter, Various Interest Rates Ranging from 6.74% to 7.45% Due Semi-Annually on June 1 and December 1, Due and Paid December 1, 2008	\$ 15,000	\$ 0	\$ 15,000	\$ 0
Bond Payable - USDA, Rural Development, Semi-Annual Principal and Interest Payments of \$6,108, Interest at 4.5%, Due November 15, 2031	175,983	0	4,344	171,639
Bond Payable - USDA, Rural Development, Semi-Annual Principal and Interest Payments of \$19,851, Interest at 4.5%, Due November 15, 2031	571,960	0	14,115	557,845
Bond Payable – State of Vermont Special Environmental Revolving Fund, Pollution Control Loan, Sewer Line Upgrades, Authorized to \$62,550, 0% Interest, \$12,510 Due Annually Beginning 2013, Due 2017	<u>0</u>	<u>28,006</u>	<u>0</u>	<u>28,006</u>
Total Sewer Fund	<u>762,943</u>	<u>28,006</u>	<u>33,459</u>	<u>757,490</u>
Total Business-Type Activities	<u>\$ 925,131</u>	<u>\$ 72,827</u>	<u>\$ 43,171</u>	<u>\$ 954,787</u>

TOWN OF PITTSFORD, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009

Changes in all long-term liabilities during the year were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities</b>					
Bonds Payable	\$ 1,020,000	\$ 0	\$ 85,000	\$ 935,000	\$ 85,000
Capital Lease Payable	60,398	0	14,202	46,196	15,392
Compensated Absences	<u>13,063</u>	<u>4,466</u>	<u>0</u>	<u>17,529</u>	<u>0</u>
Total Governmental-type Activities Long-Term Liabilities	<u>1,093,461</u>	<u>4,466</u>	<u>99,202</u>	<u>998,725</u>	<u>\$ 100,392</u>
<b>Business-type Activities</b>					
General Obligation Bonds Payable	925,131	72,827	43,171	954,787	29,786
Compensated Absences	<u>7,607</u>	<u>1,171</u>	<u>0</u>	<u>8,778</u>	<u>0</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 932,738</u>	<u>\$ 73,998</u>	<u>\$ 43,171</u>	<u>963,565</u>	<u>\$ 29,786</u>

Compensated Absences are paid by the applicable fund where the employee is charged.

Maturities are estimated as follows:

Year Ending June 30	<u>Governmental Activities</u>			<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Capital Lease</u>	<u>Principal</u>	<u>Interest</u>
2010	\$ 85,000	\$ 46,527	\$ 17,985	\$ 29,786	\$ 43,889
2011	85,000	42,336	17,985	31,509	42,176
2012	85,000	38,065	15,501	33,342	40,356
2013	85,000	33,743	0	54,938	38,420
2014	85,000	29,374	0	71,000	36,362
2015-2019	425,000	79,765	0	242,446	145,892
2020-2024	85,000	2,301	0	164,916	94,674
2025-2029	0	0	0	205,815	53,541
2030-2032	<u>0</u>	<u>0</u>	<u>0</u>	<u>121,035</u>	<u>8,468</u>
Total	935,000	272,111	51,471	954,787	503,778
Less: Imputed Interest	<u>0</u>	<u>0</u>	<u>(5,275)</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 935,000</u>	<u>\$ 272,111</u>	<u>\$ 46,196</u>	<u>\$ 954,787</u>	<u>\$ 503,778</u>

TOWN OF PITTSFORD, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009

**G. Reserved and Designated Fund Balances/Restricted Net Assets**

The reserved and designated fund balances of the Town as of June 30, 2009 consisted of the following:

**Reserved:**

Major Funds

General Fund

Reserved for Inventory and Prepaid Expenses	\$ <u>6,369</u>
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Highway Fund

Reserved for Inventory	42,662
Reserved for Highway Expenses by State Statute	<u>242,941</u>
Total Highway Fund	<u>285,603</u>

Nonmajor Funds

Special Revenue Funds

Reserved for Planning by Grant Agreement	7,440
Reserved for Veterans Memorial by Donations	<u>704</u>
Total Special Revenue Funds	<u>8,144</u>

Permanent Funds

Reserved for William Dennison Fund by Trust Agreement	69,691
Reserved for Belcher Mercle Fund by Trust Agreement	<u>2,016</u>
Total Permanent Funds	<u>71,707</u>
Total Reserved Fund Balances	\$ <u>371,823</u>

TOWN OF PITTSFORD, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009

Governmental Funds

The Restricted Net Assets in the Governmental Activities includes the Reserved Fund Balances of \$371,823 less the \$49,031 for inventory and prepaid expenses for a total of \$322,792.

**Designated:**

Governmental Funds

General Fund

Designated to Reduce Property Taxes Raised for Fiscal Year 2010	\$150,000
Designated to Reduce Property Taxes Raised for Fiscal Year 2011	<u>353,550</u>
Total General Fund	<u>503,550</u>

Special Revenue Funds

Designated for Village Fund	28,232
Designated for Reappraisal	105,127
Designated for Cemetery Development	24,023
Designated for First Response Vehicle	12,629
Designated for Land Records Preservation	<u>29,935</u>
Total Special Revenue Funds	<u>199,946</u>

Capital Projects Funds

Designated for Municipal Office Building	54,168
Designated for Fire Department	35,341
Designated for Patrol Car	11,089
Designated for Garage Reserve	<u>27,905</u>
Total Capital Projects Funds	<u>128,503</u>
Total Designated Fund Balances	<u>\$831,999</u>

The \$761 deficit in the Mower Replacement Fund will be funded in 2010 with an appropriation from the General Fund.

TOWN OF PITTSFORD, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009

Proprietary Funds

Enterprise Funds

Designated for Pittsford Water	\$55,586
Designated for Florence Water	<u>22,301</u>
Total Enterprise Funds	<u>\$77,887</u>

Internal Service Fund

Designated for Equipment	\$ <u>335,132</u>
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The \$119,078 undesignated deficit in the Sewer Fund will be funded with future sewer charges.

**V. OTHER INFORMATION**

**A. BENEFIT PLANS**

All applicable employees of the Town of Pittsford, are covered under the State of Vermont Municipal Employee's Group A Retirement Plan. The plan requires a 2.5% contribution of gross salary by the employee, which the Town pays, and a 4.0% contribution by the Town of Pittsford. The Town of Pittsford pays all costs accrued each year for the plan. The premise of this plan is to provide a retirement plan covering municipal employees at a uniform State-wide contribution rate based upon an actuarial valuation of all State of Vermont municipal employees. Activity in this plan is done in the aggregate, not by municipality. Due to the nature of this pension plan, net assets available for benefits as well as the present value of vested and nonvested plan benefits by municipality are not determinable. The Town's total payroll was \$653,033 while its covered payroll for the retirement plan was \$459,960. Pension expense for the year, including the employees share, was \$29,897.

Additional information regarding the State of Vermont Municipal Employees Retirement Plan is available upon request from the State of Vermont.

The Town also offers its employees a deferred compensation plan through the International City/County Management Association's "ICMA" Retirement Corporation in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The Town has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. All of the investments are self-directed by each employee.

The Town also makes matching contributions to two (2) employee's annuity accounts provided by an insurance company. The Town's expense for the year ended June 30, 2009 was \$2,040.

TOWN OF PITTSFORD, VERMONT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2009

**B. RISK MANAGEMENT**

The Town of Pittsford 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 Town of Pittsford maintains insurance coverage through the Vermont League of Cities and Towns Property and Casualty Intermunicipal Fund, Inc. covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town of Pittsford. Settled claims have not exceeded this coverage in any of the past three fiscal years. The Town must remain a member for a minimum of one year and may withdraw from the Fund after that time by giving sixty days notice. Fund underwriting and ratesetting policies have been established after consultation with actuaries. Fund members are subject to a supplemental assessment in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund's liabilities.

In addition, the Town of Pittsford is a member of Vermont League of Cities and Towns Health Trust. The Health Trust is a nonprofit corporation formed to provide health insurance and wellness programs for Vermont municipalities and is owned by the participating members. The agreement does not permit the Health Trust to make additional assessments to its members.

The Town of Pittsford 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 owned by the participating members. The agreement does not permit the Unemployment Trust to make additional assessments to its members.

**C. PROPERTY TAXES**

Property taxes are historically levied in mid July and are due in three installments payable in August, September and November 12, and become delinquent on November 13. The Town of Pittsford bills and collects its own property taxes and also for the State for school taxes. For the fiscal year ended June 30, 2009, the tax rate is as follows:

	<u>Residential</u>	<u>Non-Residential</u>
Education	1.2583	1.3378
Local Agreement	.0012	.0012
General Town	.5597	.5597
Village	<u>.0412</u>	<u>.0412</u>
 Total Tax Rate/per \$100 of Assessed Valuation	 <u>1.8604</u>	 <u>1.9399</u>

TOWN OF PITTSFORD, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009

**D. OTHER COMMITMENTS**

The Town is participating member in the Rutland Solid Waste District (RSWD). The Town could be subject to a portion the District's debt if they experience financial difficulties.

**E. CONCENTRATION OF REVENUE**

The Town receives a major portion of its revenue from OMYA, Inc. For the year ended June 30, 2009, the Town received 19.0% of its total property taxes and 71.1% of total Florence water sales from OMYA, Inc.

**F. RELATED PARTY TRANSACTIONS**

The Town has a Selectboard member that is associated with a construction company that the Town used during the year. The Town paid this construction company approximately \$220,680 during the year ended June 30, 2009. The Selectboard member resigned during the year.

**G. SUBSEQUENT EVENTS**

Subsequent to year-end, the Town was approved by the U.S. Department of Agriculture for a \$2,600,000 water system bond and up to a \$2,125,000 grant for a total water project cost of \$4,725,000. The bond will be repaid over forty (40) years. The Town was also issued a \$2,600,000 line of credit with First Brandon National Bank with interest at 2.6%, to be used as interim financing for aforementioned project. The line of credit will be repaid once the Town closes on its permanent financing.

TOWN OF PITTSFORD, VERMONT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2009

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b><u>ASSETS</u></b>				
Investments	\$ 0	\$ 0	\$ 100,405	\$ 100,405
Due from Other Funds	<u>209,487</u>	<u>129,267</u>	<u>0</u>	<u>338,754</u>
Total Assets	<u>\$ 209,487</u>	<u>\$ 129,267</u>	<u>\$ 100,405</u>	<u>\$ 439,159</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Accounts Payable	\$ 1,397	\$ 0	\$ 0	\$ 1,397
Due to Other Funds	0	0	28,698	28,698
Interfund Loan Payable	<u>0</u>	<u>1,525</u>	<u>0</u>	<u>1,525</u>
Total Liabilities	<u>1,397</u>	<u>1,525</u>	<u>28,698</u>	<u>31,620</u>
Fund Balances:				
Reserved for:				
Restricted Purposes	8,144	0	71,707	79,851
Unreserved:				
Designated	199,946	128,503	0	328,449
Undesignated	<u>0</u>	<u>(761)</u>	<u>0</u>	<u>(761)</u>
Total Fund Balances	<u>208,090</u>	<u>127,742</u>	<u>71,707</u>	<u>407,539</u>
Total Liabilities and Fund Balances	<u>\$ 209,487</u>	<u>\$ 129,267</u>	<u>\$ 100,405</u>	<u>\$ 439,159</u>

TOWN OF PITTSFORD, VERMONT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total
Revenues:				
Property Taxes	\$ 18,944	\$ 0	\$ 0	\$ 18,944
Intergovernmental	14,353	0	0	14,353
Investment Income/(Loss)	2,554	3,992	(34,544)	(27,998)
Permits and Fees	<u>2,852</u>	<u>0</u>	<u>0</u>	<u>2,852</u>
Total Revenues	<u>38,703</u>	<u>3,992</u>	<u>(34,544)</u>	<u>8,151</u>
Expenditures:				
Current Expenditures				
General Government	16,417	0	0	16,417
Capital Expenditures				
General Government	0	9,125	0	9,125
Public Safety	<u>0</u>	<u>250,000</u>	<u>28,529</u>	<u>278,529</u>
Total Expenditures	<u>16,417</u>	<u>259,125</u>	<u>28,529</u>	<u>304,071</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>22,286</u>	<u>(255,133)</u>	<u>(63,073)</u>	<u>(295,920)</u>
Other Financing Sources/(Uses):				
Transfers In	2,000	80,500	0	82,500
Transfers Out	<u>0</u>	<u>0</u>	<u>(32)</u>	<u>(32)</u>
Total Other Financing Sources/(Uses)	<u>2,000</u>	<u>80,500</u>	<u>(32)</u>	<u>82,468</u>
Net Change in Fund Balances	24,286	(174,633)	(63,105)	(213,452)
Fund Balances - July 1, 2008	<u>183,804</u>	<u>302,375</u>	<u>134,812</u>	<u>620,991</u>
Fund Balances - June 30, 2009	<u>\$ 208,090</u>	<u>\$ 127,742</u>	<u>\$ 71,707</u>	<u>\$ 407,539</u>

TOWN OF PITTSFORD, VERMONT  
 COMBINING BALANCE SHEET  
 SPECIAL REVENUE FUNDS  
 JUNE 30, 2009

	Village Fund	Reappraisal Fund	State Planning Grants Fund
<u>ASSETS</u>			
Due from Other Funds	\$ <u>29,629</u>	\$ <u>105,127</u>	\$ <u>7,440</u>
<b>TOTAL ASSETS</b>	<b>\$ <u><u>29,629</u></u></b>	<b>\$ <u><u>105,127</u></u></b>	<b>\$ <u><u>7,440</u></u></b>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts Payable	\$ <u>1,397</u>	\$ <u>0</u>	\$ <u>0</u>
Total Liabilities	<u>1,397</u>	<u>0</u>	<u>0</u>
Fund Balances:			
Reserved For:			
Restricted Purposes	0	0	7,440
Unreserved:			
Designated	<u>28,232</u>	<u>105,127</u>	<u>0</u>
Total Fund Balances	<u>28,232</u>	<u>105,127</u>	<u>7,440</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ <u><u>29,629</u></u></b>	<b>\$ <u><u>105,127</u></u></b>	<b>\$ <u><u>7,440</u></u></b>

Cemetery Development Fund	First Response Vehicle Fund	Land Records Preservation Fund	Veterans Memorial Fund	Total
\$ <u>24,023</u>	\$ <u>12,629</u>	\$ <u>29,935</u>	\$ <u>704</u>	\$ <u>209,487</u>
\$ <u><u>24,023</u></u>	\$ <u><u>12,629</u></u>	\$ <u><u>29,935</u></u>	\$ <u><u>704</u></u>	\$ <u><u>209,487</u></u>
\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>1,397</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,397</u>
0	0	0	704	8,144
<u>24,023</u>	<u>12,629</u>	<u>29,935</u>	<u>0</u>	<u>199,946</u>
<u>24,023</u>	<u>12,629</u>	<u>29,935</u>	<u>704</u>	<u>208,090</u>
\$ <u><u>24,023</u></u>	\$ <u><u>12,629</u></u>	\$ <u><u>29,935</u></u>	\$ <u><u>704</u></u>	\$ <u><u>209,487</u></u>

TOWN OF PITTSFORD, VERMONT  
 COMBINING STATEMENT OF REVENUE, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Village Fund	Reappraisal Fund	State Planning Grants Fund
	<u>          </u>	<u>          </u>	<u>          </u>
Revenue:			
Property Taxes	\$ 18,944	\$ 0	\$ 0
Investment Income	427	1,210	96
Intergovernmental	0	14,353	0
Permits and Fees	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenue	<u>19,371</u>	<u>15,563</u>	<u>96</u>
Expenditures:			
General Government	<u>16,417</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>16,417</u>	<u>0</u>	<u>0</u>
Excess of Revenue Over Expenditures	<u>2,954</u>	<u>15,563</u>	<u>96</u>
Other Financing Sources:			
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	2,954	15,563	96
Fund Balance - July 1, 2008	<u>25,278</u>	<u>89,564</u>	<u>7,344</u>
Fund Balance - June 30, 2009	<u>\$ 28,232</u>	<u>\$ 105,127</u>	<u>\$ 7,440</u>

Cemetery Development Fund	First Response Vehicle Fund	Land Records Preservation Fund	Veterans Memorial Fund	Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 18,944
291	160	361	9	2,554
0	0	0	0	14,353
<u>0</u>	<u>0</u>	<u>2,852</u>	<u>0</u>	<u>2,852</u>
<u>291</u>	<u>160</u>	<u>3,213</u>	<u>9</u>	<u>38,703</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>16,417</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>16,417</u>
<u>291</u>	<u>160</u>	<u>3,213</u>	<u>9</u>	<u>22,286</u>
<u>2,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,000</u>
<u>2,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,000</u>
2,291	160	3,213	9	24,286
<u>21,732</u>	<u>12,469</u>	<u>26,722</u>	<u>695</u>	<u>183,804</u>
\$ <u><u>24,023</u></u>	\$ <u><u>12,629</u></u>	\$ <u><u>29,935</u></u>	\$ <u><u>704</u></u>	\$ <u><u>208,090</u></u>

TOWN OF PITTSFORD, VERMONT  
 COMBINING BALANCE SHEET  
 CAPITAL PROJECTS FUNDS  
 JUNE 30, 2009

	<u>Municipal Office Fund</u>	<u>Fire Department Fund</u>	<u>Patrol Car Fund</u>	<u>Mower Replacement Fund</u>	<u>Garage Reserve Fund</u>	<u>Total</u>
<u>ASSETS</u>						
Due from Other Funds	\$ 54,168	\$ 35,341	\$ 11,089	\$ 764	\$ 27,905	\$ 129,267
TOTAL ASSETS	<u>\$ 54,168</u>	<u>\$ 35,341</u>	<u>\$ 11,089</u>	<u>\$ 764</u>	<u>\$ 27,905</u>	<u>\$ 129,267</u>
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Interfund Loan Payable	\$ 0	\$ 0	\$ 0	\$ 1,525	\$ 0	\$ 1,525
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,525</u>	<u>0</u>	<u>1,525</u>
Fund Balances/(Deficit):						
Unreserved:						
Designated	54,168	35,341	11,089	0	27,905	128,503
Undesignated	<u>0</u>	<u>0</u>	<u>0</u>	<u>(761)</u>	<u>0</u>	<u>(761)</u>
Total Fund Balances/(Deficit)	<u>54,168</u>	<u>35,341</u>	<u>11,089</u>	<u>(761)</u>	<u>27,905</u>	<u>127,742</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 54,168</u>	<u>\$ 35,341</u>	<u>\$ 11,089</u>	<u>\$ 764</u>	<u>\$ 27,905</u>	<u>\$ 129,267</u>

TOWN OF PITTSFORD, VERMONT  
 COMBINING STATEMENT OF REVENUE, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Municipal Office Fund	Fire Department Fund	Patrol Car Fund	Mower Replacement Fund	Garage Reserve Fund	Total
<b>Revenue:</b>						
Investment Income	\$ 759	\$ 2,723	\$ 96	\$ 62	\$ 352	\$ 3,992
Total Revenue	<u>759</u>	<u>2,723</u>	<u>96</u>	<u>62</u>	<u>352</u>	<u>3,992</u>
<b>Expenditures:</b>						
Building Maintenance	9,125	0	0	0	0	9,125
Fire Equipment	<u>0</u>	<u>250,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>250,000</u>
Total Expenditures	<u>9,125</u>	<u>250,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>259,125</u>
Excess/(Deficiency) of Revenue Over Expenditures	<u>(8,366)</u>	<u>(247,277)</u>	<u>96</u>	<u>62</u>	<u>352</u>	<u>(255,133)</u>
<b>Other Financing Sources:</b>						
Transfers In	<u>5,000</u>	<u>62,500</u>	<u>7,000</u>	<u>6,000</u>	<u>0</u>	<u>80,500</u>
Total Other Financing Sources	<u>5,000</u>	<u>62,500</u>	<u>7,000</u>	<u>6,000</u>	<u>0</u>	<u>80,500</u>
Net Change in Fund Balances	(3,366)	(184,777)	7,096	6,062	352	(174,633)
Fund Balance/(Deficit) - July 1, 2008	<u>57,534</u>	<u>220,118</u>	<u>3,993</u>	<u>(6,823)</u>	<u>27,553</u>	<u>302,375</u>
Fund Balance/(Deficit) - June 30, 2009	<u>\$ 54,168</u>	<u>\$ 35,341</u>	<u>\$ 11,089</u>	<u>\$ (761)</u>	<u>\$ 27,905</u>	<u>\$ 127,742</u>

TOWN OF PITTSFORD, VERMONT  
 COMBINING BALANCE SHEET  
 PERMANENT FUNDS  
 JUNE 30, 2009

	William Dennison Fund	Belcher Mericle Fund	Total
<u>ASSETS</u>			
Investments	\$ <u>98,219</u>	\$ <u>2,186</u>	\$ <u>100,405</u>
TOTAL ASSETS	\$ <u><u>98,219</u></u>	\$ <u><u>2,186</u></u>	\$ <u><u>100,405</u></u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Due to Other Funds	\$ <u>28,528</u>	\$ <u>170</u>	\$ <u>28,698</u>
Total Liabilities	<u>28,528</u>	<u>170</u>	<u>28,698</u>
Fund Balances:			
Reserved	<u>69,691</u>	<u>2,016</u>	<u>71,707</u>
Total Fund Balances	<u>69,691</u>	<u>2,016</u>	<u>71,707</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u><u>98,219</u></u>	\$ <u><u>2,186</u></u>	\$ <u><u>100,405</u></u>

TOWN OF PITTSFORD, VERMONT  
 COMBINING STATEMENT OF REVENUE, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 PERMANENT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2009

	William Dennison Fund	Belcher Mericle Fund	Total
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Revenue:			
Investment Income/(Loss)	\$ <u>(34,576)</u>	\$ <u>32</u>	\$ <u>(34,544)</u>
Total Revenue	<u>(34,576)</u>	<u>32</u>	<u>(34,544)</u>
Expenditures:			
Fire Building Expense	<u>28,529</u>	<u>0</u>	<u>28,529</u>
Total Expenditures	<u>28,529</u>	<u>0</u>	<u>28,529</u>
Excess/(Deficiency) of Revenue Over Expenditures	<u>(63,105)</u>	<u>32</u>	<u>(63,073)</u>
Other Financing Sources/(Uses):			
Transfers Out	<u>0</u>	<u>(32)</u>	<u>(32)</u>
Total Other Financing Sources/(Uses)	<u>0</u>	<u>(32)</u>	<u>(32)</u>
Net Change in Fund Balances	(63,105)	0	(63,105)
Fund Balance - July 1, 2008	<u>132,796</u>	<u>2,016</u>	<u>134,812</u>
Fund Balance - June 30, 2009	<u>\$ 69,691</u>	<u>\$ 2,016</u>	<u>\$ 71,707</u>