

TOWN OF BAKERSFIELD, VERMONT

AUDIT REPORT

DECEMBER 31, 2022

TOWN OF BAKERSFIELD, VERMONT
 AUDIT REPORT
 TABLE OF CONTENTS
 DECEMBER 31, 2022

		<u>Page #</u>
Independent Auditor's Report		1-4
Basic Financial Statements:		
Statement of Net Position - Modified Cash Basis	Exhibit A	5
Statement of Activities - Modified Cash Basis	Exhibit B	6
Governmental Funds:		
Statement of Modified Cash Basis Assets, Liabilities and Fund Balances	Exhibit C	7
Statement of Cash Receipts, Cash Disbursements and Changes in Modified Cash Basis Fund Balances	Exhibit D	8
Fiduciary Funds:		
Statement of Fiduciary Modified Cash Basis Net Position	Exhibit E	9
Statement of Changes in Fiduciary Modified Cash Basis Net Position	Exhibit F	10
Notes to the Financial Statements		11-25
Other Information:		
Statement of Cash Receipts, Cash Disbursements and Changes in Modified Cash Basis Fund Balance - Budget and Actual - Budgetary Basis - General Fund	Schedule 1	26-28
Statement of Cash Receipts, Cash Disbursements and Changes in Modified Cash Basis Fund Balance - Budget and Actual - Road Fund	Schedule 2	29-30
Combining Schedule of Modified Cash Basis Assets, Liabilities and Fund Balances - Non-Major Governmental Funds	Schedule 3	31

TOWN OF BAKERSFIELD, VERMONT
 AUDIT REPORT
 TABLE OF CONTENTS
 DECEMBER 31, 2022

		<u>Page #</u>
Combining Schedule of Cash Receipts, Cash Disbursements and Changes in Modified Cash Basis Fund Balances - Non-Major Governmental Funds	Schedule 4	32
Combining Schedule of Modified Cash Basis Assets, Liabilities and Fund Balances - Non-Major Special Revenue Funds	Schedule 5	33
Combining Schedule of Cash Receipts, Cash Disbursements and Changes in Modified Cash Basis Fund Balances - Non-Major Special Revenue Funds	Schedule 6	34
Combining Schedule of Modified Cash Basis Assets, Liabilities and Fund Balances - Non-Major Capital Projects Funds	Schedule 7	35
Combining Schedule of Cash Receipts, Cash Disbursements and Changes in Modified Cash Basis Fund Balances - Non-Major Capital Projects Funds	Schedule 8	36
Combining Schedule of Modified Cash Basis Assets, Liabilities and Fund Balances - Non-Major Permanent Funds	Schedule 9	37
Combining Schedule of Cash Receipts, Cash Disbursements and Changes in Modified Cash Basis Fund Balances - Non-Major Permanent Funds	Schedule 10	38
Combining Schedule of Fiduciary Modified Cash Basis Net Position - Private-Purpose Trust Funds	Schedule 11	39
Combining Schedule of Changes in Fiduciary Modified Cash Basis Net Position - Private-Purpose Trust Funds	Schedule 12	40
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with "Government Auditing Standards"		41-42
Schedule of Findings and Deficiencies in Internal Control		43-46
Response to Deficiencies in Internal Control		

Sullivan, Powers & Co., P.C.

Certified Public Accountants

77 Barre Street
P.O. Box 947
Montpelier, VT 05601
802/223-2352
www.sullivanpowers.com

Richard J. Brigham, CPA
Chad A. Hewitt, CPA
Jordan M. Plummer, CPA
VT Lic. #92-000180

Independent Auditor's Report

Selectboard
Town of Bakersfield, Vermont
40 East Bakersfield Rd
Bakersfield, VT 05441

Report on the Audit of the Financial Statements

Qualified and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Bakersfield, Vermont as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Town of Bakersfield, Vermont's basic financial statements as listed in the Table of Contents.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
General Fund	Unmodified
Road Fund	Unmodified
ARPA Fund	Unmodified
New Equipment Fund	Unmodified
Paving/Gravel Fund	Unmodified
Aggregate Remaining Fund Information	Qualified

Qualified Opinions on the Governmental Activities and the Aggregate Remaining Fund Information

In our opinion, except for the effects of the matter described in the Basis for Qualified and Unmodified Opinions section of our report, the financial statements referred to previously present fairly, in all material respects, the financial position of the governmental activities and the aggregate remaining fund information of the Town of Bakersfield, Vermont, as of December 31, 2022, and the changes in financial position thereof for the year then ended in accordance with the modified cash basis of accounting, as described in Note I.D.

Unmodified Opinions on the General Fund, the Road Fund, the ARPA Fund, the New Equipment Fund and the Paving/Gravel Fund

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the General Fund, the Road Fund, the ARPA Fund, the New Equipment Fund and the Paving/Gravel Fund of the Town of Bakersfield, Vermont, as of December 31, 2022, and the respective changes in financial position thereof for the year then ended in accordance with the modified cash basis of accounting, as described in Note I.D.

Basis for Qualified and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Bakersfield, Vermont, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified audit opinions.

Matter Giving Rise to the Qualified Opinions on the Governmental Activities and the Aggregate Remaining Fund Information

The modified cash basis of accounting requires the Town to record its investments at historical cost. Currently, certain investments in the governmental activities and the aggregate remaining fund information are recorded at current market value. The amount by which this departure would affect the assets, net position, fund balance and revenues of the governmental activities and the aggregate remaining fund information has not been determined.

Basis of Accounting

We draw attention to Note I.D. to the financial statements, which describes the basis of accounting. The financial statements are prepared primarily on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note I; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and "Government Auditing Standards", we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Bakersfield, Vermont's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Bakersfield, Vermont's ability to continue as a going concern for a reasonable period of time.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Bakersfield, Vermont's basic financial statements. The budgetary comparison information on Schedules 1 and 2 and 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 or provide any assurance on them.

Other Reporting Required by "Government Auditing Standards"

In accordance with "Government Auditing Standards", we have also issued our report dated April 20, 2023 on our consideration of the Town of Bakersfield, Vermont's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Bakersfield, Vermont's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" in considering the Town of Bakersfield, Vermont's internal control over financial reporting and compliance.

Sullivan, Powers & Co.

April 20, 2023
Montpelier, Vermont
VT Lic. #92-000180

TOWN OF BAKERSFIELD, VERMONT
 STATEMENT OF NET POSITION - MODIFIED CASH BASIS
 DECEMBER 31, 2022

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash	\$ 1,051,521
Investments	<u>55,670</u>
Total Assets	<u>1,107,191</u>
<u>LIABILITIES</u>	
Line of Credit Payable	372,586
Due to Fiduciary Fund	<u>81,170</u>
Total Liabilities	<u>453,756</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Prepaid Property Taxes	<u>2,101</u>
Total Deferred Inflows of Resources	<u>2,101</u>
<u>NET POSITION</u>	
Restricted:	
Eligible ARPA Uses	390,976
Other	196,030
Unrestricted	<u>64,328</u>
Total Net Position	<u>\$ 651,334</u>

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

TOWN OF BAKERSFIELD, VERMONT
 STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2022

Functions/Programs:	Program Cash Receipts				Net (Disbursements)/ Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
General Government	\$ 224,357	\$ 26,586	\$ 13,238	\$ 0	\$ (184,533)
Public Safety	128,061	0	0	0	(128,061)
Highways and Streets	1,018,650	4,094	579,057	6,000	(429,499)
Culture and Recreation	44,739	53	1,626	0	(43,060)
Community Development	0	11,349	0	0	11,349
Cemetery	14,079	0	0	0	(14,079)
Debt Service	108,403	0	0	0	(108,403)
Total Governmental Activities	\$ 1,538,289	\$ 42,082	\$ 593,921	\$ 6,000	(896,286)
General Receipts:					
Property Taxes					735,310
Penalties and Interest on Delinquent Taxes					14,251
General State Grants					78,882
ARPA Funds					198,581
Unrestricted Investment Earnings/(Loss)					(9,562)
Proceeds from Sale of Equipment					5,160
Other					869
Total General Receipts					1,023,491
Change in Net Position					127,205
Net Position - January 1, 2022					524,129
Net Position - December 31, 2022					\$ 651,334

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

TOWN OF BAKERSFIELD, VERMONT
 STATEMENT OF MODIFIED CASH BASIS ASSETS, LIABILITIES AND FUND BALANCES
 GOVERNMENTAL FUNDS
 DECEMBER 31, 2022

	General Fund	Road Fund	ARPA Fund	New Equipment Fund	Paving/Gravel Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS							
Cash	\$ 362,849	\$ 2,915	\$ 390,914	\$ 65,785	\$ 60,116	\$ 168,942	\$ 1,051,521
Investments	0	0	0	0	0	55,670	55,670
Due from Other Funds	0	60,315	94	60,000	0	20,000	140,409
Total Assets	\$ 362,849	\$ 63,230	\$ 391,008	\$ 125,785	\$ 60,116	\$ 244,612	\$ 1,247,600
LIABILITIES							
Due to Other Funds	\$ 81,264	\$ 0	\$ 0	\$ 0	\$ 140,315	\$ 0	\$ 221,579
Line of Credit Payable	0	372,586	0	0	0	0	372,586
Total Liabilities	81,264	372,586	0	0	140,315	0	594,165
DEFERRED INFLOWS OF RESOURCES							
Prepaid Property Taxes	2,101	0	0	0	0	0	2,101
Total Deferred Inflows of Resources	2,101	0	0	0	0	0	2,101
FUND BALANCES							
Nonspendable	0	0	0	0	0	126,265	126,265
Restricted	30,825	0	390,976	0	0	38,940	460,741
Committed	35,000	0	0	125,785	0	141,912	302,697
Assigned	76,859	0	32	0	0	0	76,891
Unassigned/(Deficit)	136,800	(309,356)	0	0	(80,199)	(62,505)	(315,260)
Total Fund Balances/(Deficit)	279,484	(309,356)	391,008	125,785	(80,199)	244,612	651,334
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 362,849	\$ 63,230	\$ 391,008	\$ 125,785	\$ 60,116	\$ 244,612	\$ 1,247,600

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

TOWN OF BAKERSFIELD, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	General Fund	Road Fund	ARPA Fund	New Equipment Fund	Paving/Gravel Fund	Non-Major Governmental Funds	Total Governmental Funds
Cash Receipts:							
Property Taxes	\$ 278,325	\$ 386,385	\$ 0	\$ 15,000	\$ 10,000	\$ 45,600	\$ 735,310
Penalties and Interest on Delinquent Taxes	14,251	0	0	0	0	0	14,251
Intergovernmental	92,120	579,057	198,581	6,000	0	1,435	877,193
Charges for Services	0	1,744	0	0	0	0	1,744
Permits, Licenses and Fees	26,586	2,350	0	0	0	27	28,963
Loan Repayments	0	0	0	0	0	11,349	11,349
Investment Income/(Loss)	362	11	24	48	5	(10,012)	(9,562)
Donations	0	0	0	0	0	191	191
Other	14	855	0	0	0	26	895
Total Cash Receipts	411,658	970,402	198,605	21,048	10,005	48,616	1,660,334
Cash Disbursements:							
General Government	218,527	0	5,830	0	0	0	224,357
Public Safety	128,061	0	0	0	0	0	128,061
Highways and Streets	0	723,678	0	0	0	0	723,678
Culture and Recreation	7,284	0	0	0	0	37,455	44,739
Cemetery	175	0	0	0	0	13,904	14,079
Capital Outlay:							
Highways and Streets	0	120,000	0	8,607	140,315	26,050	294,972
Debt Service:							
Principal	0	88,601	0	0	0	0	88,601
Interest	0	19,802	0	0	0	0	19,802
Total Cash Disbursements	354,047	952,081	5,830	8,607	140,315	77,409	1,538,289
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	57,611	18,321	192,775	12,441	(130,310)	(28,793)	122,045
Other Financing Sources/(Uses):							
Proceeds from Sale of Equipment	0	0	0	5,160	0	0	5,160
Transfers In	0	0	0	0	0	5,645	5,645
Transfers Out	0	0	0	0	0	(5,645)	(5,645)
Total Other Financing Sources/(Uses)	0	0	0	5,160	0	0	5,160
Net Change in Fund Balances	57,611	18,321	192,775	17,601	(130,310)	(28,793)	127,205
Fund Balances/(Deficit) - January 1, 2022	221,873	(327,677)	198,233	108,184	50,111	273,405	524,129
Fund Balances/(Deficit) - December 31, 2022	\$ 279,484	\$ (309,356)	\$ 391,008	\$ 125,785	\$ (80,199)	\$ 244,612	\$ 651,334

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

TOWN OF BAKERSFIELD, VERMONT
STATEMENT OF FIDUCIARY MODIFIED CASH BASIS NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2022

	Private-Purpose Trust Funds	Custodial Fund Education Tax Fund
<u>ASSETS</u>		
Cash	\$ 144,935	\$ 0
Investments	978,227	0
Due from Other Funds	0	81,170
Total Assets	\$ 1,123,162	\$ 81,170
<u>LIABILITIES AND NET POSITION</u>		
Liabilities:		
Due to School District	\$ 0	\$ 81,170
Total Liabilities	0	81,170
Net Position:		
Restricted	1,123,162	0
Total Net Position	1,123,162	0
Total Liabilities and Net Position	\$ 1,123,162	\$ 81,170

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

TOWN OF BAKERSFIELD, VERMONT
 STATEMENT OF CHANGES IN FIDUCIARY MODIFIED CASH BASIS NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Private-Purpose Trust Funds</u>	<u>Custodial Fund Education Tax Fund</u>
Additions:		
Loan Repayments	\$ 17,978	\$ 0
Investment Income/(Loss)	(176,004)	0
Other	600	0
Education Taxes Collected for Other Governments	<u>0</u>	<u>1,374,157</u>
Total Additions	<u>(157,426)</u>	<u>1,374,157</u>
Deductions:		
Bakersfield School District	2,191	0
Relief and Assistance Needs	3,856	0
Administrative Charges	6,068	0
Scholarships	8,275	0
First Congregational Church	5,280	0
Miscellaneous	69	0
Education Taxes Distributed to Other Governments	<u>0</u>	<u>1,374,157</u>
Total Deductions	<u>25,739</u>	<u>1,374,157</u>
Change in Net Position	(183,165)	0
Net Position - January 1, 2022	<u>1,306,327</u>	<u>0</u>
Net Position - December 31, 2022	<u>\$ 1,123,162</u>	<u>\$ 0</u>

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

TOWN OF BAKERSFIELD, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

The Town of Bakersfield, Vermont (herein the "Town") operates under a Selectboard form of government and provides the following services: public safety, highways and streets, culture and recreation, cemetery, community/economic development, health and social services, public improvements, planning and zoning, and general administrative services.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note I.D., these financial statements are presented on the modified cash basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. 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 activity of the Town of Bakersfield, Vermont. The financial 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 impose specific financial burdens on the primary government. The primary government is financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government regardless of whether the organization has a separately elected governing board; a governing board appointed by a higher level of government; or a jointly appointed board. Based on these criteria, there are no other 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, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, receipts, and disbursements. 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. 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.

TOWN OF BAKERSFIELD, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Government-wide Statements: The statement of net position 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. Governmental activities generally are financed through property taxes, intergovernmental receipts, and other nonexchange transactions.

The statement of activities presents a comparison between direct disbursements and program receipts for each function of the Town's governmental activities. Direct disbursements are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular program or function. Program receipts 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. Receipts that are not classified as program receipts, including all property taxes, are presented as general receipts.

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 position 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.

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

- Road Fund – This fund accounts for the receipts, disbursements and available resources of the Highway Department.

- ARPA Fund – This fund accounts for the resources from the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program used to support the Town's response to and recovery from the COVID-19 public health emergency.

- New Equipment Fund – This fund accounts for equipment expenditures of the Highway Department.

- Paving/Gravel Fund – This fund accounts for the resources that will be used for road improvement projects as the Town determines appropriate.

TOWN OF BAKERSFIELD, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Additionally, the Town reports the following fund types:

Private-Purpose Trust Funds – These funds are used to report trust arrangements under which resources are to be used for the benefit of other governments, private organizations or individuals. All investment earnings, and in some cases, the principal of these funds may be used to support these activities.

Custodial Fund – This fund is used to report resources held by the Town in a purely custodial capacity for other governments, private organizations or individuals.

C. Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus within the limitations of the modified cash basis of accounting. Equity (i.e., modified cash basis net position) is segregated into restricted and unrestricted net position. Operating statements present increases (i.e., receipts) and decreases (i.e., disbursements) in modified cash basis net position.

Governmental fund financial statements are reported using the current financial resources measurement focus within the limitations of the modified cash basis of accounting. Their reported fund balances (modified cash basis fund balances) are considered a measure of available spendable resources and are segregated into nonspendable; restricted; committed; assigned and unassigned amounts. Operating statements of these funds present increases (i.e., receipts and other financing sources) and decreases (i.e., disbursements and other financing uses) in modified cash basis fund balances.

D. Basis of Accounting

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

The Town's policy is to prepare its financial statements generally on the basis of cash receipts and disbursements, consequently, certain revenue and related assets are recognized when received rather than when earned and certain expenditures and related liabilities are recognized when paid rather than when the obligation is incurred. The exceptions to this are that the Town records investments at market value as assets, amounts due to the School District for education taxes and lines of credit payable as liabilities and property taxes paid in advance as deferred inflows of resources. The recording of investments at market value is not in accordance with the modified cash basis of accounting which requires investments to be carried at cost.

General capital asset acquisitions are reported as expenditures. Proceeds of general long-term debt are reported as other financing sources.

Recognition of revenues on funds received in connection with loan programs are recognized when loans are awarded and expenses incurred in excess of current grants and program income. Loan repayment revenue is recognized as the loans are repaid.

TOWN OF BAKERSFIELD, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

E. Assets, Liabilities, Deferred Inflows of Resources and Equity

1. Cash

Cash balances of 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 are reported at current market value.

3. Fund Equity

Fund equity is classified based upon any restrictions that have been placed on those balances or any tentative plans management may have made for those balances. Restrictions of net position in government-wide and fiduciary fund financial statements represent amounts that cannot be appropriated or are legally restricted for a specific purpose by a grant, contract, or other binding agreement. Fund balances in governmental fund financial statements are classified as nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors, or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the Selectboard's intended use of the resources); and unassigned.

4. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements that are outstanding at the end of the fiscal year are referred to as "advances to/from other funds". All other outstanding balances between funds are reported as "due from/to other funds".

5. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, "deferred inflows of resources" represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the future periods to which the inflows are related.

II. 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. The voters are presented estimated revenue projections, however, do not approve them. The Selectboard modifies the revenue projections prior to setting the tax rate if more accurate projections are available. The budgets presented herein are for the Town's "General Fund" and "Road Fund" only and does not include the unbudgeted reserve account activity that is included with the General Fund.

TOWN OF BAKERSFIELD, VERMONT
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2022

B. Budgeted Deficit

The Town budgeted cash disbursements in excess of cash receipts by \$36,518 in the General Fund. This is reflected as a current year's budgeted deficiency of cash receipts over cash disbursements on Schedule 1.

C. Excess of Expenditures Over Appropriations

For the year ended December 31, 2022, expenditures in the Road Fund exceeded appropriations by \$565,696. These over-expenditures were funded by excess revenues.

III. DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

Cash and investments as of December 31, 2022 consist of the following:

Cash:	
Deposits with Financial Institutions	\$1,164,960
Deposits with Investment Company	<u>31,496</u>
Total Cash	<u>1,196,456</u>
Investments:	
U.S. Government Agency Bonds	24,953
Corporate Bonds	299,495
Municipal Bonds	37,798
Common Stock	395,357
Exchange-Traded Funds	197,624
Real Estate Investment Trusts	10,244
Mutual Funds – Equities	<u>68,426</u>
Total Investments	<u>1,033,897</u>
Total Cash and Investments	<u>\$2,230,353</u>

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 U.S. Government Agency bonds, corporate bonds, municipal bonds, common stock, exchange-traded funds, real estate investment trusts and mutual funds are in the name of the Town and are not exposed to custodial credit risk. The following table shows the custodial credit risk of the Town's cash.

TOWN OF BAKERSFIELD, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

	<u>Book Balance</u>	<u>Bank Balance</u>
FDIC/SIPC Insured	\$ 301,960	\$ 304,721
Uninsured, Collateralized by U.S. Government Agencies Securities Held by the Pledging Financial Institution's Agent	<u>894,496</u>	<u>923,561</u>
Total	<u>\$1,196,456</u>	<u>\$1,228,282</u>

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

The book balance is comprised of the following:

Cash – Deposits with Financial Institutions	\$1,164,960
Cash – Deposits with Investment Company	<u>31,496</u>
Total	<u>\$1,196,456</u>

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Town does not have any policy to limit the exposure to interest rate risk. The Town's common stock, exchange-traded funds and real estate investment trusts are not subject to interest rate disclosure. The mutual funds are open-ended and, therefore, are also exempt from interest rate risk disclosure.

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. The U.S. Government Agency bonds, corporate bonds and municipal bonds are shown at their actual maturity.

Investment Type	Remaining Maturity			Total
	Less Than 1 Year	1 to 5 Years	5 to 10 Years	
U.S. Government Agency Bonds	\$ 0	\$ 0	\$ 24,953	\$ 24,953
Corporate Bonds	64,972	129,870	104,653	299,495
Municipal Bonds	0	37,798	0	37,798
Total	\$ 64,972	\$ 167,668	\$ 129,606	\$ 362,246

TOWN OF BAKERSFIELD, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Town does not have any policy to limit the exposure to credit risk. The Town's U.S. Government Agency bonds, common stock, exchange-traded funds and real estate investment trusts are not subject to credit risk disclosure. The mutual funds are open-ended and, therefore, are also exempt from credit risk disclosure. The credit ratings for the corporate bonds and municipal bonds are as follows:

Investment Type	Standard and Poor's Rating as of June 30, 2022							Total
	AA+	AA-	A+	A	A-	BBB+	Unrated	
Corporate Bonds	49,764	0	19,654	45,483	87,786	96,808	0	299,495
Municipal Bonds	0	12,830	0	0	0	0	24,968	37,798
Total	\$ 49,764	\$ 12,830	\$ 19,654	\$ 45,483	\$ 87,786	\$ 96,808	\$ 24,968	\$ 337,293

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 does not have any limitations on the amount that can be invested in any one issuer. The Town's U.S. Government Agency bonds and exchange-traded funds are not subject to concentration of credit risk analysis. The mutual funds are open-ended and, therefore, are also excluded from the concentration of credit risk analysis. There are no other investments in any one issuer that represent more than 5% of total investments.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by Governmental Accounting Standards Board (GASB) Statement No. 72, "Fair Value Measurement and Application." The hierarchy is based on the valuation inputs used to measure fair value of the asset and gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

Level 1 – Unadjusted quoted prices for identical instruments in active markets

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

TOWN OF BAKERSFIELD, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

The Town has the following fair value measurements as of December 31, 2022:

Description	Total	Fair Value Measurements Using:		
		Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
U.S. Government Agency Bonds	\$ 24,953	\$ 24,953	\$ 0	\$ 0
Corporate Bonds	299,495	299,495	0	0
Municipal Bonds	37,798	37,798	0	0
Common Stock	395,357	395,357	0	0
Exchange-Traded Funds	197,624	197,624	0	0
Real Estate Investment Trusts	10,244	10,244	0	0
Mutual Funds - Equities	68,426	68,426	0	0
Total	\$ 1,033,897	\$ 1,033,897	\$ 0	\$ 0

B. Interfund Balances and Activity

Interfund balances as of December 31, 2022 are as follows:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 0	\$ 81,264
Road Fund	60,315	0
ARPA Fund	94	0
New Equipment Fund	60,000	0
Paving/Gravel Fund	0	140,315
Non-Major Governmental Funds	20,000	0
Custodial Fund – Education Tax Fund	81,170	0
Totals	\$221,579	\$221,579

Interfund transfers during the year ended December 31, 2022 were as follows:

Transfer From	Transfer To	Amount	Purpose
Gilbert/Cowen/Cemetery Fund	Maple Grove Cemetery Fund	\$ 1,876	Transfer Interest Earnings
Weeks Library Fund	Library Fund	937	Transfer Interest Earnings
Sheldon Library Book Fund	Library Fund	274	Transfer Interest Earnings
Sheldon Library Fund	Library Fund	2,558	Transfer Interest Earnings
Total		\$ 5,645	

TOWN OF BAKERSFIELD, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

C. Due to School District

During the year ended December 31, 2022, the Town paid the School District \$1,292,987 for education property taxes. Subsequent to year end, the State will issue its final education property tax reconciliation for the State's fiscal year ending June 30, 2022. The Town estimates that the State's final reconciliation will show \$1,374,157 is required to be paid to the School District. The amount of education taxes owed to the School District from the Town as of December 31, 2022 is estimated to be \$81,170.

D. Short-term Debt

The Town has lines of credit with a local bank as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Line of Credit, Community Bank, N.A., FEMA Storm Expenses, \$787,010 Available, Interest at 2.25%, Due December 6, 2022. The Town Made Principal Payments of \$414,424 During the Year and Renewed the Line of Credit with the Remaining Balance.	\$479,702	\$307,308	\$787,010	\$ 0
Line of Credit, Community Bank, N.A., FEMA Storm Expenses, \$372,586 Available, Interest at 4.65%, Due December 13, 2023	<u>0</u>	<u>372,586</u>	<u>0</u>	<u>372,586</u>
Total	<u>\$479,702</u>	<u>\$679,894</u>	<u>\$787,010</u>	<u>\$372,586</u>

E. Deferred Inflows of Resources

Deferred inflows of resources in the governmental activities and General Fund consist of \$2,101 of property taxes paid in advance.

F. Fund Balances

GASB Statement No. 34, as amended by GASB Statement No. 54, requires fund balances reported on the governmental fund balance sheet to be classified using a hierarchy based primarily on the extent to which a government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balances are to be classified as: nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the Selectboard's intended use of the resources); and unassigned.

TOWN OF BAKERSFIELD, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Special revenue funds are created only to report a revenue source (or sources) that is restricted or committed to a specified purpose, and that the revenue source should constitute a substantial portion of the resources reported in that fund. Special revenue funds cannot be used to accumulate funds that are not restricted or committed. These amounts will have to be reflected in the General Fund.

Amounts constrained to stabilization (rainy-day funds) will be reported as restricted or committed fund balance in the General Fund if they meet the other criteria for those classifications. However, stabilization is regarded as a specified purpose only if the circumstances or conditions that signal the need for stabilization (a) are identified in sufficient detail and (b) are not expected to occur routinely. The Town does not have any stabilization arrangements.

Some governments create stabilization-like arrangements by establishing formal minimum fund balance policies. The Town does not have any minimum fund balance policies.

When expenditures are incurred for purposes for which both restricted and unrestricted amounts are available, it is the Town's policy to first consider restricted amounts to have been spent, followed by committed, assigned, and finally unassigned amounts.

The purpose for each major special revenue fund, including which specific revenues and other resources are authorized to be reported in each, are described in the following section.

The fund balances in the following funds are nonspendable as follows:

Non-Major Funds

Permanent Funds:

Nonspendable Gilbert/Cowen/Cemetery Fund Principal	\$ 52,907
Nonspendable Weeks Library Fund Principal	22,043
Nonspendable Sheldon Library Book Fund Principal	16,315
Nonspendable Sheldon Library Fund Principal	<u>35,000</u>
Total Nonspendable Fund Balances	<u>\$126,265</u>

The fund balances in the following funds are restricted as follows:

Major Funds

General Fund:

Restricted for Book Restoration Expenses by Statute (Source of Revenue is Restoration Fees)	\$ 28,696
Restricted for Conservation Commission Expenses by Donations (Source of Revenue is Donations)	<u>2,129</u>
Total General Fund	<u>30,825</u>

TOWN OF BAKERSFIELD, VERMONT
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2022

ARPA Fund:
 Restricted for Eligible Uses of the Coronavirus Local Fiscal
 Recovery Funding by Grant Agreement (Source of Revenue
 is Grant Revenue) \$390,976

Non-Major Funds

Special Revenue Funds:
 Restricted for Rural Development Expenses by Grant
 Agreements (Source of Revenue is Grant Revenue) 16,574

Permanent Funds:
 Restricted for Sheldon Library Fund Expenses
 by Trust Agreement 22,366

Total Non-Major Funds 38,940

Total Restricted Fund Balances \$460,741

The fund balances in the following funds are committed as follows:

Major Funds

General Fund:
 Committed for the Library Fund's 2023 Expenses
 by the Voters \$ 35,000

New Equipment Fund:
 Committed for New Equipment Expenditures
 by the Voters 125,785

Non-Major Funds

Special Revenue Funds:
 Committed for Library Expenses by the Voters 20,464
 Committed for Maple Grove Cemetery Expenses
 by the Voters 36,425

Total Special Revenue Funds 56,889

TOWN OF BAKERSFIELD, VERMONT
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2022

Capital Projects Funds:

Committed for Equipment Repair Expenditures by the Voters	\$ 8,950
Committed for Bridge Repair Expenditures by the Voters	<u>76,073</u>
Total Capital Projects Funds	<u>85,023</u>
Total Non-Major Funds	<u>141,912</u>
Total Committed Fund Balances	<u>\$302,697</u>

The fund balances in the following funds are assigned as follows:

Major Funds

General Fund:

Assigned for Grand List Reserve Expenses	\$15,346
Assigned for Planning Reserve Expenses	6,544
Assigned for Town Hall Repair Reserve Expenses	54,544
Assigned for Public Address System Reserve Expenses	<u>425</u>
Total General Fund	<u>76,859</u>

ARPA Fund:

Assigned for ARPA Expenses	<u>32</u>
Total Assigned Fund Balances	<u>\$76,891</u>

The unassigned deficit of \$309,356 in the Road Fund will be funded with the collection of grant revenues.

The unassigned deficit of \$80,199 in the Paving/Gravel Fund will be funded with the collection of grant revenues.

The unassigned deficit of \$40,567 in the Gilbert/Cowen/Cemetery Fund will be funded with the collection of loans receivable.

The unassigned deficit of \$20,279 in the Weeks Library Fund will be funded with the collection of loans receivable.

The unassigned deficit of \$1,659 in the Sheldon Library Book Fund will be funded with the collection of loans receivable.

TOWN OF BAKERSFIELD, VERMONT
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2022

G. Restricted Net Position

The restricted net position in the governmental activities includes the nonspendable fund balances of \$126,265 and the restricted fund balances of \$460,741 for a total of \$587,006.

The net position held in trust for various purposes in the Town's Private-Purpose Trust Funds as of December 31, 2022 consisted of the following:

Private-Purpose Trust Funds:

Restricted for Support of Brigham Academy and Aid of Education by Trust Agreements	\$ 40,944
Restricted for Support of School District by Trust Agreement	11,141
Restricted for Care of the Worthy Poor by Trust Agreement	18,792
Restricted for Relief and Assistance of the Needy and Poor by Trust Agreements	199,156
Restricted for Support of First Congregational Church and Student Scholarships by Trust Agreements	<u>853,129</u>
Total Private-Purpose Trust Funds	<u>\$1,123,162</u>

IV. OTHER INFORMATION

A. Benefit Plan

The Town provides its employees a Simple IRA. The eligibility requirement is that employees must have received at least \$5,000 in compensation during any two preceding calendar years and is expected to receive at least \$5,000 in compensation in the current calendar year. Employees are allowed to contribute up to the maximum amount allowed by law (For 2022, \$14,000 if under 50 and \$17,000 for 50 and older). All of the investments are self-directed by each employee. The Town matches employee contributions up to 3% of compensation. The Town's total payroll was \$299,713 while covered payroll was \$183,811. During the year ended December 31, 2022, contributions by the Town were \$5,398.

B. Property Taxes

The Town is responsible for assessing and collecting its own property taxes, as well as education property taxes for the State of Vermont. Property taxes are assessed based on property valuations as of April 1, the voter approved budgets and the State education property tax liability. Property taxes are due in one installment on October 3. The penalty rate is eight percent (8%) after the October 3 payment. Interest is charged at one percent (1%) per month. The tax rates for 2022 were as follows:

	<u>Homestead</u>	<u>Non-Homestead</u>
Town	.6081	.6081
Education	<u>1.3806</u>	<u>1.6515</u>
Total	<u>1.9887</u>	<u>2.2596</u>

TOWN OF BAKERSFIELD, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

C. Risk Management

The Town 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 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. 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.

The Town is also a member of the Vermont League of Cities and Towns Employment Resource and Benefits Trust. The Trust is a nonprofit corporation formed to provide unemployment coverage and other employment benefits for Vermont municipalities and is owned by the participating members. The agreement does not permit the Trust to make additional assessments to its members. The Town has only elected unemployment coverage with the Trust.

D. Contingent Liability

The Town is a member of the Northwest Vermont Solid Waste Management District. The Town, as a member, could be required to share in any special assessments.

E. Loans Receivable

Loans receivable outstanding as of December 31, 2022 were as follows:

Loan Receivable, Bakersfield Historical Society, Principal and Interest Payments of \$4,917 Payable on July 1 Annually, Interest at 4.25%, Due July, 2031	\$ 36,720
Loan Receivable, Bakersfield Volunteer Fire Department, Principal and Interest Payments Payable on December 23 Annually, Interest Rate Based on Prime Rate Plus 1% at December 1 Annually, Due December, 2039	68,116
Loan Receivable, Business Loan, Principal and Interest Payments of \$3,882 Payable in September Annually, Interest at 4.25%, Due September, 2030, Secured by Mortgage	<u>25,867</u>
Total	<u>\$130,703</u>

TOWN OF BAKERSFIELD, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

F. Long-term Debt

The Town had a note payable to finance a capital purchase through a local bank.

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 financed purchases 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.

Long-term debt outstanding as of December 31, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Note Payable, Community Bank, N.A., Gravel Pit, Principal and Interest Payments of \$40,000 Payable on September 29 Annually, Interest at 3.8%, Due September, 2023	\$ 75,892	\$ 0	\$37,472	\$ 38,420
Financed Purchase, Kansas State Bank, 2018 International Truck, Interest at 3.15%, Principal and Interest Payments of \$25,997 Payable on June 22 Annually, Due June, 2023	49,637	0	24,434	25,203
Financed Purchase, Kansas State Bank, 2021 International Truck, Interest at 2.8%, Principal and Interest Payments of \$29,836 Payable on April 3 Annually, Due April, 2025	<u>111,381</u>	<u>0</u>	<u>26,695</u>	<u>84,686</u>
Total	<u>\$236,910</u>	<u>\$ 0</u>	<u>\$88,601</u>	<u>\$148,309</u>

Maturities are estimated to be as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 91,071	\$4,762
2024	28,221	1,615
2025	<u>29,017</u>	<u>819</u>
Total	<u>\$148,309</u>	<u>\$7,196</u>

TOWN OF BAKERSFIELD, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget	Actual	Variance Favorable/ (Unfavorable)
Cash Receipts:			
Property Taxes	\$ 238,995	\$ 278,325	\$ 39,330
Bank Interest	0	362	362
Brigham Residence Grant Income	0	6,250	6,250
Cannabis Control Board	0	100	100
Clerk Fees	0	13,871	13,871
Delinquent Tax Interest	0	4,160	4,160
Delinquent Tax Penalty	0	10,091	10,091
Hold Harmless	78,882	78,882	0
Liquor Licenses	0	300	300
Listers - State Income	0	6,888	6,888
Miscellaneous	0	14	14
Planning Income	0	890	890
Zoning Income	0	6,709	6,709
Total Cash Receipts	317,877	406,842	88,965
Cash Disbursements:			
General Expenses:			
Advertising	250	0	250
Ambulance Contract	38,880	37,567	1,313
Bakersfield Conservation Commission	500	1,555	(1,055)
Bakersfield Fire Department Contract	83,814	73,814	10,000
Ballot Clerks	500	0	500
BCA Expenses	1,500	645	855
Brigham Expenses	5,000	5,188	(188)
Brigham Residence	250	28,654	(28,404)
Building Expenses	250	188	62
Cemetery Expenses	500	175	325
Copier Lease	1,750	1,801	(51)
Court Tax	11,000	10,488	512
Dispatch	16,080	16,080	0
Dog Expenses	250	113	137
Memberships/Dues	3,000	2,687	313
Education	1,000	332	668
Electricity	1,300	1,397	(97)
Fireworks	0	3,760	(3,760)
Flags	0	1,581	(1,581)

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget	Actual	Variance Favorable/ (Unfavorable)
General Expenses/(Cont'd):			
Flowers	\$ 0	\$ 300	\$ (300)
Heating Oil	2,500	3,787	(1,287)
Employer FICA/Medicare	7,669	7,151	518
Health Officer	250	0	250
Internet	250	164	86
Late Fees/Penalties/Interest	500	840	(340)
Library Expenses	0	250	(250)
Lister Education	250	0	250
Lister Expenses	700	472	228
Lister Mileage	100	127	(27)
Memorial Day	750	0	750
Mileage	100	0	100
Miscellaneous	1,000	32	968
Office Expenses	3,000	3,615	(615)
Park Expenses	180	114	66
Park Water Bill	180	160	20
Planning Expenses	100	234	(134)
Portolet	100	128	(28)
Postage	200	701	(501)
Quickbooks	0	905	(905)
School Generator	100	2,390	(2,290)
Selectboard Expenses	0	563	(563)
Selectboard Legal	5,000	0	5,000
Street Lights	2,200	2,094	106
Telephone	1,500	1,584	(84)
Unemployment	725	574	151
VLCT Property & Casualty	21,297	20,072	1,225
VLCT Worker's Compensation	1,000	2,547	(1,547)
Water	180	160	20
Website	200	0	200
Zoning Legal	1,000	6,250	(5,250)
Zoning Expenses	500	391	109
Zoom	0	149	(149)
Wages	100,243	93,473	6,770
Total General Expenses	<u>317,598</u>	<u>335,252</u>	<u>(17,654)</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget	Actual	Variance Favorable/ (Unfavorable)
Appropriations:			
Outside Audit	\$ 19,000	\$ 0	\$ 19,000
Bakersfield Historical Society	5,000	5,000	0
Franklin County Home Health	2,776	2,776	0
Northwest Vermont Solid Waste	1,400	1,400	0
Franklin County Industrial Development	200	200	0
Age Well	1,500	1,500	0
Northwest Regional Planning	1,426	1,426	0
Missisquoi River Basin Association	600	600	0
American Red Cross	500	500	0
Green Up Vermont	100	100	0
Fairfield Community Center	2,000	2,000	0
VT Rural Fire Protection Task Force	100	100	0
VT Center for Independent Living	95	95	0
Northwest Counseling	600	600	0
Lucas James Williams Memorial Youth	1,000	1,000	0
Cat Crusaders of Franklin County	500	500	0
	36,797	17,797	19,000
 Total Appropriations	 36,797	 17,797	 19,000
 Total Cash Disbursements	 354,395	 353,049	 1,346
 Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	 \$ (36,518)	 53,793	 \$ 90,311
 Adjustment to Reconcile from the Budgetary Basis of Accounting to the Modified Cash Basis of Accounting:			
Unbudgeted Book Restoration Income		4,816	
Unbudgeted Book Restoration Expenses		(698)	
Public Announcement System Expenses		(300)	
 Net Change in Fund Balance		 57,611	
 Fund Balance - January 1, 2022		 221,873	
 Fund Balance - December 31, 2022		 \$ 279,484	

The reconciling items are due to unbudgeted reserve account activity.

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL
ROAD FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget	Actual	Variance Favorable/ (Unfavorable)
Cash Receipts:			
Property Taxes	\$ 386,385	\$ 386,385	\$ 0
ATV Permits	0	930	930
Fleet/Vehicle Permits	0	425	425
Road Access Permits	0	995	995
Bank Interest	0	11	11
FEMA Reimbursement	0	482,322	482,322
Gravel Pit Income	0	1,744	1,744
Highway State Aid	0	96,735	96,735
Miscellaneous	0	855	855
Total Cash Receipts	386,385	970,402	584,017
Cash Disbursements:			
Salaries:	185,000	183,810	1,190
Contracted Labor:	10,000	7,661	2,339
General Expenses:			
Advertising	0	373	(373)
ATV Stickers	0	75	(75)
Clothing Allotment	1,500	1,838	(338)
Culverts	5,000	0	5,000
Dental & Vision	1,577	1,410	167
Diesel	30,000	31,636	(1,636)
Disability Insurance	252	251	1
Ditch/Drainage Supplies	7,500	0	7,500
Electricity	1,650	1,441	209
Equipment Chains	0	1,779	(1,779)
Equipment Gas	50	70	(20)
Equipment Rental	10,000	0	10,000
FEMA Work Expenses	0	384,360	(384,360)
FEMA Line of Credit Interest	0	12,570	(12,570)
Grader Purchase	0	120,000	(120,000)
Gravel Pit Expenses	500	160	340
Gravel Pit Loan Principal	36,000	37,472	(1,472)
Gravel Pit Loan Interest	4,000	2,528	1,472
Health Insurance	33,593	32,640	953

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN MODIFIED CASH BASIS FUND BALANCE
BUDGET AND ACTUAL
ROAD FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget	Actual	Variance Favorable/ (Unfavorable)
General Expenses/(Cont'd):			
Heating Fuel	\$ 4,000	\$ 6,155	\$ (2,155)
Hydro-Seeder Expenses	0	156	(156)
Mileage	1,500	1,754	(254)
Pagers	750	598	152
Radio License	0	173	(173)
Road Erosion Inventory Expenses	0	8,240	(8,240)
Road Signs	500	148	352
Roadside Mowing	4,000	0	4,000
Salt/Chloride/Cold Patch	23,500	22,460	1,040
Sand/Gravel/Stone	0	8,694	(8,694)
Shop Expenses	3,000	5,145	(2,145)
Simple IRA	6,000	5,398	602
Social Security & Medicare	13,878	14,062	(184)
Stormwater Operating Fee	1,350	1,350	0
Street Lights	175	161	14
Telephone	750	810	(60)
Truck #3 Expenses	0	550	(550)
Truck Loan Payments	0	55,833	(55,833)
Water	360	320	40
	191,385	760,610	(569,225)
Total General Expenses			
	386,385	952,081	(565,696)
Total Cash Disbursements			
Excess of Cash Receipts Over Cash Disbursements	\$ 0	18,321	\$ 18,321
Fund Balance/(Deficit) - January 1, 2022		(327,677)	
Fund Balance/(Deficit) - December 31, 2022		\$ (309,356)	

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
 COMBINING SCHEDULE OF MODIFIED CASH BASIS ASSETS, LIABILITIES AND FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2022

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total
<u>ASSETS</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Cash	\$ 73,463	\$ 65,023	\$ 30,456	\$ 168,942
Investments	0	0	55,670	55,670
Due from Other Funds	<u>0</u>	<u>20,000</u>	<u>0</u>	<u>20,000</u>
 Total Assets	 <u>\$ 73,463</u>	 <u>\$ 85,023</u>	 <u>\$ 86,126</u>	 <u>\$ 244,612</u>
 <u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund Balances:				
Nonspendable	0	0	126,265	126,265
Restricted	16,574	0	22,366	38,940
Committed	56,889	85,023	0	141,912
Unassigned/(Deficit)	<u>0</u>	<u>0</u>	<u>(62,505)</u>	<u>(62,505)</u>
 Total Fund Balances	 <u>73,463</u>	 <u>85,023</u>	 <u>86,126</u>	 <u>244,612</u>
 Total Liabilities and Fund Balances	 <u>\$ 73,463</u>	 <u>\$ 85,023</u>	 <u>\$ 86,126</u>	 <u>\$ 244,612</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
 COMBINING SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN MODIFIED CASH BASIS FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total
Cash Receipts:				
Property Taxes	\$ 10,000	\$ 35,600	\$ 0	\$ 45,600
Intergovernmental	1,435	0	0	1,435
Permits, Licenses and Fees	27	0	0	27
Loan Repayments	3,881	0	7,468	11,349
Investment Income/(Loss)	44	23	(10,079)	(10,012)
Donations	191	0	0	191
Other	26	0	0	26
Total Cash Receipts	<u>15,604</u>	<u>35,623</u>	<u>(2,611)</u>	<u>48,616</u>
Cash Disbursements:				
Culture and Recreation	37,112	0	343	37,455
Cemetery	13,904	0	0	13,904
Capital Outlay:				
Highways and Streets	0	26,050	0	26,050
Total Cash Disbursements	<u>51,016</u>	<u>26,050</u>	<u>343</u>	<u>77,409</u>
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	<u>(35,412)</u>	<u>9,573</u>	<u>(2,954)</u>	<u>(28,793)</u>
Other Financing Sources/(Uses):				
Transfers In	5,645	0	0	5,645
Transfers Out	0	0	(5,645)	(5,645)
Total Other Financing Sources/(Uses)	<u>5,645</u>	<u>0</u>	<u>(5,645)</u>	<u>0</u>
Net Change in Fund Balances	<u>(29,767)</u>	<u>9,573</u>	<u>(8,599)</u>	<u>(28,793)</u>
Fund Balances - January 1, 2022	<u>103,230</u>	<u>75,450</u>	<u>94,725</u>	<u>273,405</u>
Fund Balances - December 31, 2022	<u>\$ 73,463</u>	<u>\$ 85,023</u>	<u>\$ 86,126</u>	<u>\$ 244,612</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
 COMBINING SCHEDULE OF MODIFIED CASH BASIS ASSETS, LIABILITIES AND FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2022

	<u>Library Fund</u>	<u>Rural Development Fund</u>	<u>Maple Grove Cemetery Fund</u>	<u>Total</u>
<u>ASSETS</u>				
Cash	\$ <u>20,464</u>	\$ <u>16,574</u>	\$ <u>36,425</u>	\$ <u>73,463</u>
Total Assets	\$ <u><u>20,464</u></u>	\$ <u><u>16,574</u></u>	\$ <u><u>36,425</u></u>	\$ <u><u>73,463</u></u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Fund Balances:				
Restricted	0	16,574	0	16,574
Committed	<u>20,464</u>	<u>0</u>	<u>36,425</u>	<u>56,889</u>
Total Fund Balances	<u>20,464</u>	<u>16,574</u>	<u>36,425</u>	<u>73,463</u>
Total Liabilities and Fund Balances	\$ <u><u>20,464</u></u>	\$ <u><u>16,574</u></u>	\$ <u><u>36,425</u></u>	\$ <u><u>73,463</u></u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
 COMBINING SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN MODIFIED CASH BASIS FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Library Fund	Rural Development Fund	Maple Grove Cemetery Fund	Total
Cash Receipts:				
Property Taxes	\$ 0	\$ 0	\$ 10,000	\$ 10,000
Intergovernmental	1,435	0	0	1,435
Permits, Licenses and Fees	27	0	0	27
Loan Repayments	0	3,881	0	3,881
Investment Income	20	8	16	44
Donations	191	0	0	191
Other	26	0	0	26
Total Cash Receipts	<u>1,699</u>	<u>3,889</u>	<u>10,016</u>	<u>15,604</u>
Cash Disbursements:				
Culture and Recreation	37,112	0	0	37,112
Cemetery	0	0	13,904	13,904
Total Cash Disbursements	<u>37,112</u>	<u>0</u>	<u>13,904</u>	<u>51,016</u>
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	<u>(35,413)</u>	<u>3,889</u>	<u>(3,888)</u>	<u>(35,412)</u>
Other Financing Sources:				
Transfers In	3,769	0	1,876	5,645
Total Other Financing Sources	<u>3,769</u>	<u>0</u>	<u>1,876</u>	<u>5,645</u>
Net Change in Fund Balances	(31,644)	3,889	(2,012)	(29,767)
Fund Balances - January 1, 2022	<u>52,108</u>	<u>12,685</u>	<u>38,437</u>	<u>103,230</u>
Fund Balances - December 31, 2022	<u>\$ 20,464</u>	<u>\$ 16,574</u>	<u>\$ 36,425</u>	<u>\$ 73,463</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
 COMBINING SCHEDULE OF MODIFIED CASH BASIS ASSETS,
 LIABILITIES AND FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2022

	Equipment Repair Fund	Bridge Repair Fund	Total
<u>ASSETS</u>			
Cash	\$ 8,950	\$ 56,073	\$ 65,023
Due from Other Funds	0	20,000	20,000
Total Assets	\$ 8,950	\$ 76,073	\$ 85,023
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:	\$ 0	\$ 0	\$ 0
Fund Balances:			
Committed	8,950	76,073	85,023
Total Fund Balances	8,950	76,073	85,023
Total Liabilities and Fund Balances	\$ 8,950	\$ 76,073	\$ 85,023

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
 COMBINING SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN MODIFIED CASH BASIS FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Equipment Repair Fund	Bridge Repair Fund	Total
Cash Receipts:			
Property Taxes	\$ 25,600	\$ 10,000	\$ 35,600
Investment Income	<u>1</u>	<u>22</u>	<u>23</u>
Total Cash Receipts	<u>25,601</u>	<u>10,022</u>	<u>35,623</u>
Cash Disbursements:			
Capital Outlay:			
Highways and Streets	<u>26,050</u>	<u>0</u>	<u>26,050</u>
Total Cash Disbursements	<u>26,050</u>	<u>0</u>	<u>26,050</u>
Net Change in Fund Balances	(449)	10,022	9,573
Fund Balances - January 1, 2022	<u>9,399</u>	<u>66,051</u>	<u>75,450</u>
Fund Balances - December 31, 2022	<u>\$ 8,950</u>	<u>\$ 76,073</u>	<u>\$ 85,023</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
 COMBINING SCHEDULE OF MODIFIED CASH BASIS ASSETS, LIABILITIES AND FUND BALANCES
 NON-MAJOR PERMANENT FUNDS
 DECEMBER 31, 2022

	Gilbert/Cowen/ Cemetery Fund	Weeks Library Fund	Sheldon Library Book Fund	Sheldon Library Fund	Total
ASSETS					
Cash	\$ 12,340	\$ 1,764	\$ 14,656	\$ 1,696	\$ 30,456
Investments	<u>0</u>	<u>0</u>	<u>0</u>	<u>55,670</u>	<u>55,670</u>
Total Assets	<u>\$ 12,340</u>	<u>\$ 1,764</u>	<u>\$ 14,656</u>	<u>\$ 57,366</u>	<u>\$ 86,126</u>
LIABILITIES AND FUND BALANCES					
Liabilities:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund Balances:					
Nonspendable	52,907	22,043	16,315	35,000	126,265
Restricted	0	0	0	22,366	22,366
Unassigned/Deficit)	<u>(40,567)</u>	<u>(20,279)</u>	<u>(1,659)</u>	<u>0</u>	<u>(62,505)</u>
Total Fund Balances	<u>12,340</u>	<u>1,764</u>	<u>14,656</u>	<u>57,366</u>	<u>86,126</u>
Total Liabilities and Fund Balances	<u>\$ 12,340</u>	<u>\$ 1,764</u>	<u>\$ 14,656</u>	<u>\$ 57,366</u>	<u>\$ 86,126</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
 COMBINING SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN MODIFIED CASH BASIS FUND BALANCES
 NON-MAJOR PERMANENT FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Gilbert/Cowen/ Cemetery Fund	Weeks Library Fund	Sheldon Library Book Fund	Sheldon Library Fund	Total
Cash Receipts:					
Loan Repayments	\$ 3,528	\$ 1,764	\$ 2,176	\$ 0	\$ 7,468
Investment Income/(Loss)	<u>5</u>	<u>0</u>	<u>7</u>	<u>(10,091)</u>	<u>(10,079)</u>
Total Cash Receipts	<u>3,533</u>	<u>1,764</u>	<u>2,183</u>	<u>(10,091)</u>	<u>(2,611)</u>
Cash Disbursements:					
Culture and Recreation	<u>0</u>	<u>0</u>	<u>0</u>	<u>343</u>	<u>343</u>
Total Cash Disbursements	<u>0</u>	<u>0</u>	<u>0</u>	<u>343</u>	<u>343</u>
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	<u>3,533</u>	<u>1,764</u>	<u>2,183</u>	<u>(10,434)</u>	<u>(2,954)</u>
Other Financing Sources/(Uses):					
Transfers Out	<u>(1,876)</u>	<u>(937)</u>	<u>(274)</u>	<u>(2,558)</u>	<u>(5,645)</u>
Total Other Financing Sources/(Uses)	<u>(1,876)</u>	<u>(937)</u>	<u>(274)</u>	<u>(2,558)</u>	<u>(5,645)</u>
Net Change in Fund Balances	1,657	827	1,909	(12,992)	(8,599)
Fund Balances - January 1, 2022	<u>10,683</u>	<u>937</u>	<u>12,747</u>	<u>70,358</u>	<u>94,725</u>
Fund Balances - December 31, 2022	<u>\$ 12,340</u>	<u>\$ 1,764</u>	<u>\$ 14,656</u>	<u>\$ 57,366</u>	<u>\$ 86,126</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
 COMBINING SCHEDULE OF FIDUCIARY MODIFIED CASH BASIS NET POSITION
 PRIVATE-PURPOSE TRUST FUNDS
 DECEMBER 31, 2022

	Brigham Academy Fund	Brigham House Fund	J.K. Maynard Fund	Thomas L. Tupper Fund	Margaret J. Cutting Fund	Total
<u>ASSETS</u>						
Cash	\$ 40,944	\$ 11,141	\$ 18,792	\$ 21,356	\$ 52,702	\$ 144,935
Investments	<u>0</u>	<u>0</u>	<u>0</u>	<u>177,800</u>	<u>800,427</u>	<u>978,227</u>
Total Assets	<u>\$ 40,944</u>	<u>\$ 11,141</u>	<u>\$ 18,792</u>	<u>\$ 199,156</u>	<u>\$ 853,129</u>	<u>\$ 1,123,162</u>
<u>LIABILITIES AND NET POSITION</u>						
Liabilities:	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Net Position:						
Restricted	<u>40,944</u>	<u>11,141</u>	<u>18,792</u>	<u>199,156</u>	<u>853,129</u>	<u>1,123,162</u>
Total Net Position	<u>40,944</u>	<u>11,141</u>	<u>18,792</u>	<u>199,156</u>	<u>853,129</u>	<u>1,123,162</u>
Total Liabilities and Net Position	<u>\$ 40,944</u>	<u>\$ 11,141</u>	<u>\$ 18,792</u>	<u>\$ 199,156</u>	<u>\$ 853,129</u>	<u>\$ 1,123,162</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF BAKERSFIELD, VERMONT
 COMBINING SCHEDULE OF CHANGES IN FIDUCIARY MODIFIED CASH BASIS NET POSITION
 PRIVATE-PURPOSE TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Brigham Academy Fund	Brigham House Fund	J.K. Maynard Fund	Thomas L. Tupper Fund	Margaret J. Cutting Fund	Total
Cash Receipts:						
Loan Repayments	\$ 17,978	\$ 0	\$ 0	\$ 0	\$ 0	\$ 17,978
Investment Income/(Loss)	19	5	9	(32,116)	(143,921)	(176,004)
Other	600	0	0	0	0	600
Total Cash Receipts	<u>18,597</u>	<u>5</u>	<u>9</u>	<u>(32,116)</u>	<u>(143,921)</u>	<u>(157,426)</u>
Cash Disbursements:						
Bakersfield School District	2,191	0	0	0	0	2,191
Relief and Assistance Needs	0	0	0	3,856	0	3,856
Administrative Charges	0	0	0	1,026	5,042	6,068
Scholarships	0	0	0	0	8,275	8,275
First Congregational Church	0	0	0	0	5,280	5,280
Miscellaneous	0	0	69	0	0	69
Total Cash Disbursements	<u>2,191</u>	<u>0</u>	<u>69</u>	<u>4,882</u>	<u>18,597</u>	<u>25,739</u>
Change in Net Position	16,406	5	(60)	(36,998)	(162,518)	(183,165)
Net Position - January 1, 2022	<u>24,538</u>	<u>11,136</u>	<u>18,852</u>	<u>236,154</u>	<u>1,015,647</u>	<u>1,306,327</u>
Net Position - December 31, 2022	<u>\$ 40,944</u>	<u>\$ 11,141</u>	<u>\$ 18,792</u>	<u>\$ 199,156</u>	<u>\$ 853,129</u>	<u>\$ 1,123,162</u>

See Disclaimer in Accompanying Independent Auditor's Report.

Sullivan, Powers & Co., P.C.

Certified Public Accountants

77 Barre Street
P.O. Box 947
Montpelier, VT 05601
802/223-2352
www.sullivanpowers.com

Richard J. Brigham, CPA
Chad A. Hewitt, CPA
Jordan M. Plummer, CPA
VT Lic. #92-000180

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with "Government Auditing Standards"

Selectboard
Town of Bakersfield, Vermont
40 East Bakersfield Rd
Bakersfield, VT 05441

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Bakersfield, Vermont, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Town of Bakersfield, Vermont's basic financial statements, and have issued our report thereon dated April 20, 2023. Our opinion on the governmental activities and the aggregate remaining fund information was qualified because of the recording of investments at market value rather than cost.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Bakersfield, Vermont's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Bakersfield, Vermont's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Bakersfield, Vermont's internal control.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Town of Bakersfield, Vermont's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Deficiencies in Internal Control as Items 2022-01 through 2022-03 to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Deficiencies in Internal Control as Items 2022-04 and 2022-05 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Bakersfield, Vermont's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under "Government Auditing Standards".

Town of Bakersfield, Vermont's Response to Findings

"Government Auditing Standards" requires the auditor to perform limited procedures on the Town of Bakersfield, Vermont's response to the findings identified in our audit and described in the Schedule of Findings and Deficiencies in Internal Control. The Town of Bakersfield, Vermont's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Sullivan, Powers & Co.

April 20, 2023
Montpelier, Vermont
VT Lic. #92-000180