

**TOWN OF EDEN, VERMONT**

**AUDIT REPORT**

**JUNE 30, 2025**

TOWN OF EDEN, VERMONT  
 AUDIT REPORT  
 TABLE OF CONTENTS  
 JUNE 30, 2025

		<u>Page #</u>
Independent Auditor's Report		1-3
 Basic Financial Statements:		
Statement of Net Position - Modified Cash Basis	Exhibit A	4
Statement of Activities - Modified Cash Basis	Exhibit B	5
 Governmental Funds:		
Statement of Modified Cash Basis Assets, Liabilities and Fund Balances	Exhibit C	6
Statement of Cash Receipts, Cash Disbursements and Changes in Modified Cash Basis Fund Balances	Exhibit D	7
 Fiduciary Funds:		
Statement of Fiduciary Net Position	Exhibit E	8
Statement of Changes in Fiduciary Net Position	Exhibit F	9
Notes to the Financial Statements		10-28
 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	29-33
Statement of Cash Receipts, Cash Disbursements and Changes in Modified Cash Basis Fund Balance - Budget and Actual - Highway Fund	Schedule 2	34-36
Combining Schedule of Modified Cash Basis Assets, Liabilities and Fund Balances - Non-Major Governmental Funds	Schedule 3	37

TOWN OF EDEN, VERMONT  
AUDIT REPORT  
TABLE OF CONTENTS  
JUNE 30, 2025

	<u>Page #</u>
Combining Schedule of Cash Receipts, Cash Disbursements and Changes in Modified Cash Basis Fund Balances - Non-Major Governmental Funds	Schedule 4 38
Combining Schedule of Modified Cash Basis Assets, Liabilities and Fund Balances - Non-Major Special Revenue Funds	Schedule 5 39
Combining Schedule of Cash Receipts, Cash Disbursements and Changes in Modified Cash Basis Fund Balances - Non-Major Special Revenue Funds	Schedule 6 40
Combining Schedule of Modified Cash Basis Assets, Liabilities and Fund Balances - Non-Major Capital Projects Funds	Schedule 7 41
Combining Schedule of Cash Receipts, Cash Disbursements and Changes in Modified Cash Basis Fund Balances - Non-Major Capital Projects Funds	Schedule 8 42
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"	43-44
Schedule of Findings and Deficiencies in Internal Control	45
Response to Findings and Deficiencies in Internal Control	

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## Independent Auditor's Report

Selectboard  
Town of Eden, Vermont  
71 Old School House Road  
Eden Mills, VT 05653

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Eden, Vermont as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Town of Eden, Vermont's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Eden, Vermont, as of June 30, 2025, and the respective changes in modified cash basis 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 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 Eden, 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 audit opinions.

#### ***Correction of Error***

As described in Note II.C. of the financial statements, a certain error was corrected by management during the current year. Our opinion is not modified with respect to this matter.

***Emphasis of Matter - 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 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 the financial statements in accordance with the modified cash basis of accounting as described in Note I, and for 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 Eden, 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 Eden, 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 Eden, 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 Eden, Vermont’s basic financial statements. The budgetary comparison information on Schedule 1 and Schedule 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 May 13, 2026 on our consideration of the Town of Eden, 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 Eden, 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 Eden, Vermont’s internal control over financial reporting and compliance.

*Sullivan, Powers & Co.*

May 13, 2026  
Montpelier, Vermont  
VT Lic. #92-000180

TOWN OF EDEN, VERMONT  
STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
JUNE 30, 2025

	Governmental Activities
<u>ASSETS</u>	
Cash	\$ 989,101
Investments	1,681,753
Due from Fiduciary Fund	36,661
Total Assets	2,707,515
<u>LIABILITIES</u>	
Due to State of Vermont	499
Payroll Withholdings Payable	31
Total Liabilities	530
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Prepaid Property Taxes	801
Total Deferred Inflows of Resources	801
<u>NET POSITION</u>	
Restricted:	
Non-Expendable:	
Cemetery	65,443
Expendable:	
Community Improvement Projects	461,730
Cemetery	29,880
Records Restoration	81,347
Other Purposes	11,619
Unrestricted	2,056,165
Total Net Position	\$ 2,706,184

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

TOWN OF EDEN, VERMONT  
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2025

		Program Cash Receipts				Net (Disbursements)/ Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Capital Grants/Loans and Contributions		Governmental Activities
Functions/Programs:						
Governmental Activities:						
General Government	\$ 302,996	\$ 23,327	\$ 9,298	\$ 153,446	\$	(116,925)
Public Safety	304,037	0	0	0		(304,037)
Highways and Streets	1,109,117	2,435	477,341	135,728		(493,613)
Culture and Recreation	115,993	67,501	49,468	0		976
Solid Waste and Recycling	563	0	0	0		(563)
Cemetery	6,986	1,730	0	0		(5,256)
Debt Service	22,000	0	0	0		(22,000)
	<u>\$ 1,861,692</u>	<u>\$ 94,993</u>	<u>\$ 536,107</u>	<u>\$ 289,174</u>		<u>(941,418)</u>
General Receipts:						
Property Taxes						930,918
Penalties and Interest on Delinquent Taxes						29,386
Payments in Lieu of Taxes						38,564
General State Grants						86,790
Unrestricted Investment Earnings						68,820
						<u>1,154,478</u>
						<u>213,060</u>
Change in Net Position						<u>213,060</u>
Net Position - July 1, 2024, As Previously Presented						2,472,390
Correction of Error						<u>20,734</u>
Net Position - July 1, 2024, As Restated						<u>2,493,124</u>
Net Position - June 30, 2025					\$	<u>2,706,184</u>

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

TOWN OF EDEN, VERMONT  
STATEMENT OF MODIFIED CASH BASIS ASSETS, LIABILITIES AND FUND BALANCES  
GOVERNMENTAL FUNDS  
JUNE 30, 2025

	General Fund	Highway Fund	Special Funds Fund	Grants Fund	Special Events Fund	Non-Major Governmental Funds	Total Governmental Funds
<u>ASSETS</u>							
Cash	\$ 643,279	\$ 0	\$ 305,073	\$ 0	\$ 0	\$ 40,749	\$ 989,101
Investments	399,753	200,000	857,000	0	0	225,000	1,681,753
Due from Other Funds	<u>0</u>	<u>148,362</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>937,782</u>	<u>1,086,144</u>
Total Assets	<u>\$ 1,043,032</u>	<u>\$ 348,362</u>	<u>\$ 1,162,073</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,203,531</u>	<u>\$ 3,756,998</u>
<u>LIABILITIES</u>							
Due to State of Vermont	\$ 499	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 499
Payroll Withholdings Payable	31	0	0	0	0	0	31
Due to Other Funds	<u>841,763</u>	<u>0</u>	<u>0</u>	<u>207,720</u>	<u>0</u>	<u>0</u>	<u>1,049,483</u>
Total Liabilities	<u>842,293</u>	<u>0</u>	<u>0</u>	<u>207,720</u>	<u>0</u>	<u>0</u>	<u>1,050,013</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Prepaid Property Taxes	<u>801</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>801</u>
Total Deferred Inflows of Resources	<u>801</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>801</u>
<u>FUND BALANCES</u>							
Nonspendable	0	0	0	0	0	65,443	65,443
Restricted	0	0	465,852	0	0	118,724	584,576
Committed	20,000	348,362	206,477	0	0	862,305	1,437,144
Assigned	9,000	0	0	0	0	157,059	166,059
Unassigned/(Deficit)	<u>170,938</u>	<u>0</u>	<u>489,744</u>	<u>(207,720)</u>	<u>0</u>	<u>0</u>	<u>452,962</u>
Total Fund Balances/(Deficit)	<u>199,938</u>	<u>348,362</u>	<u>1,162,073</u>	<u>(207,720)</u>	<u>0</u>	<u>1,203,531</u>	<u>2,706,184</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,043,032</u>	<u>\$ 348,362</u>	<u>\$ 1,162,073</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,203,531</u>	<u>\$ 3,756,998</u>

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

TOWN OF EDEN, VERMONT  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Highway Fund	Special Funds Fund	Grants Fund	Special Events Fund	Non-Major Governmental Funds	Total Governmental Funds
Cash Receipts:							
Property Taxes	\$ 352,313	\$ 578,605	\$ 0	\$ 0	\$ 0	\$ 0	\$ 930,918
Penalties and Interest on Delinquent Taxes	29,386	0	0	0	0	0	29,386
Payments in Lieu of Taxes	38,564	0	0	0	0	0	38,564
Intergovernmental	86,790	76,419	0	210,216	372,422	8,873	754,720
Charges for Services	65,726	1,500	0	0	0	3,505	70,731
Permits, Licenses and Fees	17,414	935	0	0	0	5,690	24,039
Investment Income	40,958	0	16,737	0	0	11,125	68,820
Donations	32	0	43,446	0	0	3,873	47,351
Other	223	0	0	0	0	0	223
<b>Total Cash Receipts</b>	<b>631,406</b>	<b>657,459</b>	<b>60,183</b>	<b>210,216</b>	<b>372,422</b>	<b>33,066</b>	<b>1,964,752</b>
Cash Disbursements:							
General Government	269,613	0	9,578	10,808	0	12,997	302,996
Public Safety	137,380	0	0	865	0	0	138,245
Highways and Streets	0	583,430	0	58,079	0	0	641,509
Culture and Recreation	62,925	0	0	44,783	0	8,285	115,993
Solid Waste and Recycling	563	0	0	0	0	0	563
Cemetery	0	0	0	0	0	6,986	6,986
Capital Outlay:							
Public Safety	0	0	165,792	0	0	0	165,792
Highways and Streets	0	0	0	467,608	0	0	467,608
Debt Service:							
Principal	0	0	22,000	0	0	0	22,000
<b>Total Cash Disbursements</b>	<b>470,481</b>	<b>583,430</b>	<b>197,370</b>	<b>582,143</b>	<b>0</b>	<b>28,268</b>	<b>1,861,692</b>
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	160,925	74,029	(137,187)	(371,927)	372,422	4,798	103,060
Other Financing Sources/(Uses):							
Issuance of Long-term Debt	0	0	110,000	0	0	0	110,000
Transfers In	0	66,121	81,000	495,472	0	340,461	983,054
Transfers Out	(114,293)	(544,051)	0	0	(66,121)	(258,589)	(983,054)
<b>Total Other Financing Sources/(Uses)</b>	<b>(114,293)</b>	<b>(477,930)</b>	<b>191,000</b>	<b>495,472</b>	<b>(66,121)</b>	<b>81,872</b>	<b>110,000</b>
<b>Net Change in Fund Balances</b>	<b>46,632</b>	<b>(403,901)</b>	<b>53,813</b>	<b>123,545</b>	<b>306,301</b>	<b>86,670</b>	<b>213,060</b>
Fund Balances - July 1, 2024, As Previously Presented	132,572	752,263	1,108,260	(331,265)	(306,301)	1,116,861	2,472,390
Correction of Error	20,734	0	0	0	0	0	20,734
Fund Balances/(Deficit) - July 1, 2024, As Restated	153,306	752,263	1,108,260	(331,265)	(306,301)	1,116,861	2,493,124
Fund Balances/(Deficit) - June 30, 2025	\$ 199,938	\$ 348,362	\$ 1,162,073	\$ (207,720)	\$ 0	\$ 1,203,531	\$ 2,706,184

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

TOWN OF EDEN, VERMONT  
 STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 JUNE 30, 2025

	Custodial Fund Education Tax Fund
<u>ASSETS</u>	
Assets:	
Due from School District	\$ <u>36,661</u>
Total Assets	\$ <u><u>36,661</u></u>
<u>LIABILITIES AND NET POSTION</u>	
Liabilities:	
Due to Other Funds	\$ <u>36,661</u>
Total Liabilities	<u>36,661</u>
Net Position:	<u>0</u>
Total Liabilities and Net Position	\$ <u><u>36,661</u></u>

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

TOWN OF EDEN, VERMONT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025

	Custodial Fund Education Tax Fund
<u>ADDITIONS</u>	
Education Taxes Collected for Other Governments	\$ <u>2,376,384</u>
Total Additions	<u>2,376,384</u>
<u>DEDUCTIONS</u>	
Education Taxes Distributed to Other Governments	<u>2,376,384</u>
Total Deductions	<u>2,376,384</u>
Change in Net Position	0
Net Position - July 1, 2024	<u>0</u>
Net Position - June 30, 2025	\$ <u><u>0</u></u>

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

TOWN OF EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

The Town of Eden, 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, 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 funds of the Town of Eden, 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 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, 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 EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

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. 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 function or program. Program receipts include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants, contributions and loans 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. 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.

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

Special Funds Fund – This fund accounts for various reserve funds established through gifts and external contributions that support community improvement projects, recreation field maintenance, and future equipment needs

Grants Fund – This fund accounts for revenues and expenditures related to federal, state, and private grant programs received for specific governmental purposes.

Special Events Fund – This fund accounts for FEMA-related emergency response and recovery expenditures and the corresponding federal reimbursement revenues.

Additionally, the Town reports the following fund type:

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

TOWN OF EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

**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 its certificates of deposits at cost, other investments at market value, and amounts due from the School District as assets, payroll withholdings payable and amounts due to the State of Vermont for dog and marriage licenses 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, however, the difference in valuation is not material to the financial statements.

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

**E. Assets, Liabilities, Deferred Outflows/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.

Excess cash of individual funds are shown as due from other funds and excess cash withdrawals are shown as due to other funds.

TOWN OF EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

**2. Investments**

The Town invests in investments as allowed by State Statute. The Town's investments in certificates of deposit are reported at cost and other 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 the 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**

The Town's expenditure budgets for both the General Fund and the Highway Fund are legally adopted at the annual Town Meeting held each March. Any amendments to these voter-approved budgets must also be authorized by the voters in a subsequent duly warned meeting. No budget amendments were approved during the fiscal year. As part of the budgeting process, estimated revenues are presented to the voters for informational purposes; however, these estimates are not subject to voter approval. The Selectboard reviews and may revise the revenue estimates prior to establishing the annual tax rate when more accurate or updated information becomes available.

The budgetary comparison information presented in these financial statements includes only the Town's legally adopted General Fund and Highway Fund budgets.

TOWN OF EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

For the General Fund, reconciling items between the budgetary basis and the financial statement basis result from expenditures related to an unbudgeted grant match and from the incorporation of the Rainy Day Reserve Fund, the Outside Audit Reserve Fund, and the Lake Eden Recreation Fund into the General Fund for financial reporting purposes in accordance with the fund structure requirements of GASB Statement No. 54.

For the Highway Fund, reconciling items arise from unbudgeted transfers into and out of the fund, as well as the inclusion of the Highway Reserve Fund with the Highway Fund for financial reporting purposes.

**B. Budgeted Deficit**

The Town adopted a General Fund budget that included the planned use of prior-year fund balances. For the year ended June 30, 2025, the General Fund budget provided for cash disbursements exceeding cash receipts by \$69,103, representing the Town’s intended utilization of accumulated fund balance from prior years. This amount is presented as a budgeted deficiency of cash receipts over cash disbursements in Schedule 1.

**C. Error Correction**

During the fiscal year, the Town determined that certain employee health insurance contributions withheld from employees in the prior fiscal year had been incorrectly reported as a liability. Under the Town’s modified cash basis of accounting, these amounts should have been recognized as reductions of health insurance expenditures when remitted rather than recorded as a liability at year end. To correct this error, beginning net position, as of July 1, 2024, has been restated to remove the improperly recorded liability and to reduce prior-year health insurance expenditures. The net effect of this restatement increased beginning net position and General Fund fund balance by \$20,734 as shown in Table I.

Table I:

	Reporting Units Affected by Adjustments to and Restatements of	
	Beginning Balances	
	Government-Wide	Funds
	Governmental Activities	General Fund
Net Position/Fund Balances -		
July 1, 2024, As Previously Presented	\$ 2,472,390	\$ 132,572
Error Correction:		
Overstatement of Health Insurance Payable	20,734	20,734
Net Position/Fund Balances -		
July 1, 2024, As Restated	\$ 2,493,124	\$ 153,306

TOWN OF EDEN, VERMONT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2025

**III. DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

Cash and investments as of June 30, 2025 consist of the following:

Cash:	
Deposits with Financial Institutions	\$ 962,135
Deposits held by Investment Company	25,000
Cash on Hand	<u>1,966</u>
Total Cash	<u>989,101</u>
Investments:	
Certificates of Deposit	1,656,000
Mutual Funds	<u>25,753</u>
Total Investments	<u>1,681,753</u>
Total Cash and Investments	<u>\$2,670,854</u>

The Town has twelve (12) certificates of deposit ranging from \$18,000 to \$240,000 with interest ranging from .26% to 1.55% and with maturities ranging from July, 2025 to April, 2026.

**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 following table reflects the custodial credit risk of the Town's cash.

	<u>Book Balance</u>	<u>Bank Balance</u>
FDIC/SIPC Insured	\$1,931,000	\$1,930,296
Uninsured, Collateralized by U.S. Government Agencies Securities Held by the Pledging Financial Institution's Agent	712,135	755,221
Uninsured, Uncollateralized	<u>0</u>	<u>65,154</u>
Total	<u>\$2,643,135</u>	<u>\$2,750,671</u>

TOWN OF EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

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	\$ 962,135
Cash – Deposits held by Investment Company	25,000
Investments – Certificates of Deposit	<u>1,656,000</u>
Total	<u>\$2,643,135</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 certificates of deposit are not subject to interest rate risk disclosure. The mutual funds are open-ended and, therefore, are also exempt from interest rate risk disclosure.

**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. These organizations look at a number of factors in order to evaluate the risk of an obligation and rate the risk. The rating allows the investor to make informed buying and selling decisions. The Town does not have any policy to limit the exposure to credit risk. The Town’s certificates of deposit are not subject to credit risk disclosure. The mutual funds are open-ended and, therefore not subject to credit risk disclosure.

**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 certificate of deposit is exempt from 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). The Town’s certificates of deposit are not subject to fair value disclosures.

TOWN OF EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

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.

The Town has the following fair value measurements as of June 30, 2025:

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)
Mutual Funds	\$ 25,753	\$ 25,753	\$ 0	\$ 0
Total	\$ 25,753	\$ 25,753	\$ 0	\$ 0

**B. Interfund Balances and Transfers**

Interfund balances as of June 30, 2025 are as follows:

	Due from <u>Other Funds</u>	Due to <u>Other Funds</u>
General Fund	\$ 0	\$ 841,763
Highway Fund	148,362	0
Grants Fund	0	207,720
Non-Major Governmental Funds	937,782	0
Custodial Fund – Education Tax Fund	<u>0</u>	<u>36,661</u>
Total	<u>\$1,086,144</u>	<u>\$1,086,144</u>

TOWN OF EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

Interfund transfers during the year ended June 30, 2025 were as follows:

Transfer From	Transfer To	Amount	Purpose
General Fund	Outside Audit Reserve Fund	\$ 3,000	* Appropriation
General Fund	Lake Eden Recreation Fund	1,000	* Appropriation
General Fund	Special Funds Fund	81,000	Appropriations
General Fund	Grants Fund	2,293	Grant Match
General Fund	Fire Department Equipment Reserve Fund	15,000	Appropriation
General Fund	Eden Cemetery Fund	7,500	Appropriation
General Fund	Eden Youth Sports Fund	4,500	Appropriation
General Fund	Lake Eden Prevention Fund	4,000	Appropriation
Highway Fund	Grants Fund	484,051	Grant Match
Highway Fund	Paving and Structures Fund	60,000	Appropriation
Highway Reserve Fund	Highway Fund	185,112	* Deficit Reduction
Special Events Fund	Highway Fund	66,121	Grant Match
ARPA Fund	Town Clerk's Addition Reserve Fund	234,220	Fund Reserve
Lake Eden Prevention Fund	Lake Eden Milfoil Reserve Fund	241	Grant Match
Lake Eden Prevention Fund	Grants Fund	9,128	Grant Match
Lake Eden Recreation Area Reserve Fund	Lake Eden Milfoil Reserve Fund	<u>15,000</u>	Appropriation
Total		\$ <u>1,172,166</u>	

\* The transfer from the General Fund to the Outside Audit Reserve Fund and Lake Eden Recreation Fund is netted within the General Fund. The transfer from the Highway Reserve Fund to the Highway Fund is netted within the Highway Fund.

**C. Due from School District**

The Town has billed, collected and remitted education taxes on behalf of the School District during the fiscal year. Based on final education tax settlements, the Town overpaid the School District; as a result, \$36,661 was due from the School District at June 30, 2025.

**D. 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.

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.

TOWN OF EDEN, VERMONT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2025

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 balance in the following fund is nonspendable as follows:

Non-Major Fund

Special Revenue Funds:	
Nonspendable Eden Cemetery Fund Perpetual Care Funds	\$ <u>65,443</u>
Total Nonspendable Fund Balances	\$ <u>65,443</u>

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

Major Funds:

Special Funds Fund:	
Restricted for Community Improvement Projects by Donations (Source of Revenue is Donation Revenue)	\$ 461,730
Restricted for Eden Recreation Field and Athletics by Donations (Source of Revenue is Donation Revenue)	<u>4,122</u>
Total Special Funds Fund	<u>465,852</u>

Non-Major Funds

Special Revenue Funds:	
Restricted for Records Preservation Expenses by Statutes (Source of Revenue is Restoration Fees)	81,347
Restricted for Lister Education Expenses by Grant Agreement (Source of Revenue is Grant Revenue)	<u>7,497</u>
Total Special Revenue Funds	<u>88,844</u>

TOWN OF EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

Permanent Fund:

Restricted for Cemetery Expenses by Donations and Sale of Lots (Source of Revenue is Donations and Lot Sales)	\$ <u>29,880</u>
Total Non-Major Funds	<u>118,724</u>
Total Restricted Fund Balances	\$ <u>584,576</u>

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

Major Funds

General Fund:

Committed for Lake Eden Recreation Expenditures by the Voters	\$ <u>20,000</u>
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Highway Fund:

Committed for Highway Fund Expenditures by the Voters	<u>348,362</u>
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Special Funds Fund:

Committed for New Equipment Purchases by the Voters	<u>206,477</u>
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Total Major Funds	<u>574,839</u>
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Non-Major Funds

Special Revenue Funds:

Committed for Eden Youth Sports Expenditures by the Voters	23,425
Committed for Lake Eden Milfoil Expenditures by the Voters	<u>22,707</u>

Total Special Revenue Funds	<u>46,132</u>
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Capital Projects Funds:

Committed for Town Clerk's Addition Expenditures by the Voters	234,248
Committed for Future Building Improvement Expenditures by the Voters	153,913
Committed for Fire Department Equipment Expenditures by the Voters	110,617
Committed for Lake Eden Recreation Area Expenditures by the Voters	96,962
Committed for Paving and Structures Expenditures by the Voters	<u>220,433</u>

Total Capital Projects Funds	<u>816,173</u>
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Total Non-Major Funds	<u>862,305</u>
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Total Committed Fund Balances	\$ <u>1,437,144</u>
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TOWN OF EDEN, VERMONT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2025

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

Major Fund

General Fund:

Assigned for Outside Audit Expenses	\$ <u>9,000</u>
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Non-Major Funds

Special Revenue Funds:

Assigned for Reappraisal Expenses	157,058
Assigned for ARPA Expenses	<u>1</u>

Total Non-Major Funds	<u>157,059</u>
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Total Assigned Fund Balances	\$ <u>166,059</u>
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The General Fund unassigned fund balance includes \$50,533 of Rainy Day Reserve Funds as approved by the Selectboard.

The unassigned deficit in the Grants Fund of \$207,720 will be funded with future grant revenue and transfers from the General Fund and Highway Fund.

**D. Restricted Net Position**

The restricted net position in the Governmental Activities includes the nonspendable and restricted fund balances totaling \$650,019.

**IV. OTHER INFORMATION**

**A. Pension Plans**

**Defined Benefit Plan**

**The Vermont Municipal Employees' Retirement System (VMERS)**

**Plan Description**

The Vermont Municipal Employees' Retirement System (VMERS) is a cost-sharing, multiple-employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees. It is designed for municipal and school district employees that work on a regular basis and also includes employees of museums and libraries if at least half of that institution's operating expenses are met by municipal funds. An employee of any employer that becomes affiliated with the system may join at that time or at any time thereafter. Any employee hired subsequent to the effective participation date of their employer who meets the minimum hourly requirements is required to join the system. As of June 30, 2024, the measurement date selected by the State of Vermont, the retirement system consisted of 362 participating employers.

TOWN OF EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

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

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

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

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

As of June 30, 2024, the measurement date selected by the State of Vermont, VMERS was funded at 75.22% and had a plan fiduciary net position of \$1,008,504,817 and a total pension liability of \$1,340,652,483 resulting in a net position liability of \$332,147,666. The Town's proportionate share of this was 0.0513% resulting in a net pension liability of \$170,273. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating municipalities, actuarially determined. The Town's proportion of 0.0513% was a decrease of 0.0031 from its proportion measured as of the prior year.

**Summary of Plan Provisions**

Membership – Full time employees of participating municipalities. Municipalities can elect coverage under Groups A, B, C or D provisions. The Town elected coverage under Group B.

Creditable Service – Service as a member plus purchased service.

Average Final Compensation (AFC) – Group A – Average annual compensation during highest five (5) consecutive years. Groups B and C – Average annual compensation during highest three (3) consecutive years. Group D – Average annual compensation during highest two (2) consecutive years.

Normal Retirement Eligibility – Group A – Earlier of age 65 with five (5) years of service or age 55 with thirty-five (35) years of service. Group B – Earlier of age 62 with five (5) years of service or age 55 with thirty (30) years of service. Groups C and D – Age 55 with five (5) years of service.

TOWN OF EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

Normal Retirement Amount – Group A – 1.4% of AFC times service. Group B – 1.7% of AFC times service as a Group B member plus percentage earned as a Group A member times AFC. Group C – 2.5% of AFC times service as a Group C member plus percentage earned as a Group A or B member times AFC. Group D – 2.5% of AFC times service as a Group D member plus percentage earned as a Group A, B or C member times AFC. Maximum benefit is 60% of AFC for Groups A and B and 50% of AFC for Groups C and D. The previous amounts include the portion of the allowance provided by member contributions.

Early Retirement Eligibility – Groups A and B – Age 55 with five (5) years of service. Group D – Age 50 with twenty (20) years of service.

Early Retirement Amount – Normal retirement allowance based on service and AFC at early retirement, reduced by 6% for each year commencement precedes Normal Retirement Age for Groups A and B members; payable without reduction to Group D members.

Vesting – All Groups – Five (5) years of service. Allowance beginning at Normal Retirement Age based on AFC and service at termination. The AFC is to be adjusted annually by one-half of the percentage change in the Consumer Price Index, subject to the limits on “Post-Retirement Adjustments”.

Disability Retirement Eligibility – All Groups – Five (5) years of service and disability as determined by Retirement Board.

Disability Retirement Amount – All Groups – Immediate allowance based on AFC and service to date of disability. Children’s benefit of 10% of AFC payable to up to three minor children (or children up to age 23 if enrolled in full-time studies) of a disabled Group D member.

Death Benefit Eligibility – All Groups – Death after five (5) years of service.

Death Benefit Amount – Groups A, B and C – Reduced early retirement allowance under 100% survivor option commencing immediately or, if greater, survivor’s benefit under disability allowance computed as of date of death. Group D – 70% of the unreduced accrued benefit, plus children’s benefit.

Post-Retirement Adjustments – Group A – Allowances in pay status for at least one (1) year increased on each January 1 by one-half of the percentage increase in Consumer Price Index, but not more than 2%. If receiving an Early Retirement benefit, no increases until after attaining Normal Retirement eligibility. If receiving a Disability Retirement benefit, no increases until after attaining age 62. Groups B, C and D – Allowances in payment for at least one (1) year increased on each January 1 by one-half of the percentage increase in Consumer Price Index, but not more than 3%. If receiving an Early Retirement benefit, no increases until after attaining Normal Retirement eligibility. If receiving a Disability Retirement benefit, no increases until after attaining age 62 (age 55 for Group C).

Retirement Stipend – \$25 per month payable at the option of the Retirement Board.

Optional Benefit and Death after Retirement – Groups A, B and C – A lifetime allowance or actuarially equivalent 50% or 100% joint and survivor allowance with refund of contribution guarantee. Group D – A lifetime allowance or 70% contingent annuitant option with no reduction.

TOWN OF EDEN, VERMONT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2025

Refund of Contributions – Upon termination, if the member so elects, or if no other benefit is payable, the member’s accumulated contributions with interest are refunded.

Member Contribution Rates:

<u>Effective</u>	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>	<u>Group D</u>
July 1, 2024	4.00%	6.375%	11.50%	12.85%
July 1, 2025	4.25%	6.625%	11.75%	13.10%
July 1, 2026	4.50%	6.875%	12.00%	13.35%
July 1, 2027	4.75%	7.125%	12.25%	13.60%
July 1, 2028	5.00%	7.375%	12.50%	13.85%
July 1, 2029	5.25%	7.625%	12.75%	14.10%

Employer Contribution Rates:

<u>Effective</u>	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>	<u>Group D</u>
July 1, 2024	5.50%	7.00%	8.75%	11.35%
July 1, 2025	5.75%	7.25%	9.00%	11.60%
July 1, 2026	6.00%	7.50%	9.25%	11.85%
July 1, 2027	6.25%	7.75%	9.50%	12.10%
July 1, 2028	6.50%	8.00%	9.75%	12.35%
July 1, 2029	6.75%	8.25%	10.00%	12.60%

**Significant Actuarial Assumptions and Methods**

Inflation Rate – 2.30% per year.

Investment Rate of Return – 7.00%, net of pension plan investment expenses, including inflation.

Salary Increases – Ranging from 4.07% to 6.21% based on service.

Cost-of-Living Adjustments (COLA) – Assumed to occur on January 1 following one (1) year of retirement at the rate of 1.10% per annum for Group A members and 1.20% per annum for Groups B, C and D members (beginning at Normal Retirement eligibility age for members who elect reduced early retirement, at age 62 for members of Groups A, B and D who receive a disability retirement benefit, and at age 55 for members of Group C who receive a disability retirement benefit). The January 1, 2025 COLA is expected to be 1.90% for all groups. The January 1, 2024 COLA was 1.10% for all groups.

Mortality:

Pre-Retirement Participants – Groups A and B – 60% PubG-2010 General Employee Amount-Weighted Below Median and 40% of PubG-2010 General Employee Amount-Weighted, with generational projection using scale MP-2021. Group C – PubG-2010 General Employee Amount-Weighted, with generational projection using scale MP-2021. Group D – PubS-2010 Public Safety Employee Amount-Weighted Below Median, with generational projection using scale MP-2021.

TOWN OF EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

Healthy Post-Retirement – Retirees – Groups A and B – PubG-2010 General Healthy Retiree Amount-Weighted Below Median Table with credibility adjustments of 90% and 87% for the Male and Female tables, respectively, with generational projection using scale MP-2021. Group C – PubG-2010 General Healthy Retiree Amount-Weighted Table, with generational projection using scale MP-2021. Group D – PubS-2010 Public Safety Retiree Amount-Weighted Below Median Table, with generational projection using scale MP-2021.

Healthy Post-Retirement – Beneficiaries – All Groups – Pub-2010 Contingent Survivor Amount-Weighted Below Median Table, with generational projection using scale MP-2021.

Disabled Post-Retirement – Groups A, B and C – PubNS-2010 Non-Safety Disabled Retiree Amount-Weighted Table, with generational projection using scale MP-2021. Group D – PubS-2010 Safety Disabled Retiree Amount-Weighted Table, with generational projection using scale MP-2021.

Age of Spouse – Females three (3) years younger than males.

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

**Determination of Discount Rate and Investment Rates of Return**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
US Agg Fixed Income	19%	1.70%
TIPS	2%	1.70%
Large/Mid Cap US Equity	4%	4.20%
Small Cap US Equity	3%	4.70%
Developed Large/Mid Cap International Equity	5%	5.95%
Global Equity	32%	5.25%
Core Real Estate	3%	3.45%
Non-Core Real Estate	4%	5.70%
Private Credit	11%	5.70%

TOWN OF EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Private Equity	11%	7.45%
Private Core Infrastructure	4%	4.95%
Agriculture/Farmland	2%	3.95%

Discount Rate – The long-term expected rate of return on pension plan investments is 7.00%. The high quality tax-exempt general obligation municipal bond rate (20-Bond GO Index) as of the closest date prior to the valuation date of June 30, 2024, is 3.93%, as published by The Bond Buyer.

The discount rate used to measure the Total Pension Liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed plan member and employer contributions will be made at rates set by the Board (employers) and statute (members). For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plans' Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability as of June 30, 2024.

**Discount Rate Sensitivity**

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the Town's proportionate share of the net pension liability as of June 30, 2024, calculated using the discount rate of 7.00%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
\$260,322	\$170,273	\$96,363

**Additional Information**

Additional information regarding the State of Vermont Municipal Employees' Retirement System, including the details of the Fiduciary Net Position, is available upon request from the State of Vermont.

TOWN OF EDEN, VERMONT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2025

**B. Property Taxes**

The Town is responsible for assessing and collecting its own property taxes as well as education taxes for the State of Vermont. The tax rate is set by the Selectboard based on the voter approved budget, the estimated grand list and the State education property tax liability. Property taxes were due in three equal installments on November 15, 2024, February 15, 2025, and May 15, 2025. Any installment due but not paid on or before November 15 or February 15 is subject to interest at a rate of one percent (1%) per month until paid. Property taxes remaining unpaid as of May 16 become delinquent and are subject to a penalty of eight percent (8%). The tax rates for 2025 were as follows:

	<u>Homestead</u>	<u>Non-Homestead</u>
General & Highway	0.6434	0.6434
Local Agreement	0.0038	0.0038
Education - Local Share	<u>1.8100</u>	<u>1.8848</u>
Total	<u>2.4572</u>	<u>2.5320</u>

**C. Contingent Liabilities**

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

The Town participates in a number of federally assisted and state grant programs that are subject to audits by the grantors or their representatives. Accordingly, compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

**D. 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.

TOWN OF EDEN, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2025

**E. Long-Term Debt**

The State of Vermont offers a number of low and no-interest loan programs to utilize for predetermined purposes. The Town has borrowed money from the Office of the State Treasurer Municipal Equipment and Vehicle Loan Fund.

Long-term debt activity during the year ended June 30, 2025 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Note Payable, Office of the State Treasurer, Mini Pumper Fire Truck, Principal Payments of \$22,000, Payable on December 31 Annually, Interest at 0.0%, Due December, 2027	\$ 88,000	\$ 0	\$ 22,000	\$ 66,000
Note Payable, Office of the State Treasurer, 2024 Western Star Truck, Principal Payments of \$22,000, Plus Interest Payable on June 30 Annually, Interest at 2.0%, Due June, 2029. The First Scheduled Payment, Due in the Current Fiscal Year, was Paid in July.	<u>0</u>	<u>110,000</u>	<u>0</u>	<u>110,000</u>
Total	<u>\$ 88,000</u>	<u>\$110,000</u>	<u>\$ 22,000</u>	<u>\$176,000</u>

Maturities are estimated to be as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 66,000	\$ 3,960
2027	44,000	1,320
2028	44,000	880
2029	<u>22,000</u>	<u>440</u>
Total	<u>\$176,000</u>	<u>\$ 6,600</u>

**F. Related Party Transactions**

During the fiscal year, the Town engaged in transactions with businesses owned by members of the Selectboard. One Selectboard member, who also serves as the Road Commissioner and is an owner of a local construction company, was paid \$33,480 for equipment rental. This individual also supervises a family member employed by the Highway Department. In addition, another relative who owns a welding and repair business that was paid \$2,945 during the fiscal year.

TOWN OF EDEN, 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 JUNE 30, 2025

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Cash Receipts:</b>			
Property Taxes	\$ 351,754	\$ 352,313	\$ 559
Current Tax Interest	2,700	2,954	254
Delinquent Tax Interest	9,000	12,222	3,222
Delinquent Tax Penalty	10,000	14,210	4,210
Liquor Licenses	140	300	160
Cannabis Revenue	0	200	200
Dog Licenses	2,000	2,911	911
School Reimbursement	500	692	192
State of Vermont Current Use	80,000	86,098	6,098
State of Vermont Payment in Lieu of Taxes	38,000	38,564	564
Vault & Recording Fees	12,000	14,003	2,003
Interest on Investments	0	40,425	40,425
Miscellaneous Revenue	0	223	223
<b>Total Cash Receipts</b>	<b>506,094</b>	<b>565,115</b>	<b>59,021</b>
<b>Cash Disbursements:</b>			
<b>Town Officers:</b>			
Auditors	4,000	4,020	(20)
Civil Board Meetings	300	10	290
Constable	100	0	100
Elections/Town Meeting	3,000	2,256	744
Highway Labor (Town Office)	50	0	50
Office Labor	109,000	75,486	33,514
Selectboard	3,750	3,750	0
911 Coordinator	750	128	622
<b>Total Town Officers</b>	<b>120,950</b>	<b>85,650</b>	<b>35,300</b>
<b>Office Expenses:</b>			
Bank Charges (Returned Checks)	100	114	(14)
Bottled Water	200	242	(42)
Building/Site Maintenance (Town Office)	1,500	206	1,294
Computer Expenses	2,000	3,790	(1,790)
Election Expenses	100	0	100
Generator Maintenance (Town Office)	560	734	(174)
Mileage	800	227	573
Mowing (Town Office)	800	550	250
Office Copier Contract	1,000	1,325	(325)
Office Equipment/Furniture	500	0	500
Office Contracts - NEMRC	9,500	7,932	1,568
Postage & Delivery	2,000	2,062	(62)
Printing/Postage Town Report	2,500	2,588	(88)
Recording Supplies/ACS Contract	8,500	8,027	473

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TOWN OF EDEN, 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 JUNE 30, 2025

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Office Expenses/(Cont'd):			
Restoration of Records	\$ 2,000	\$ 1,407	\$ 593
Seminars & Dues	500	320	180
Shredding of Documents	300	288	12
Snow Removal	1,500	1,500	0
Supplies (All Offices)	3,000	655	2,345
Website	600	1,170	(570)
Miscellaneous	0	30	(30)
Total Office Expenses	<u>37,960</u>	<u>33,167</u>	<u>4,793</u>
Insurance:			
Accident Deductible	1,000	0	1,000
Disability & Life	1,000	319	681
Health/Hospitalization	49,000	48,353	647
Property & Casualty	6,000	5,302	698
Workers Compensation Insurance	2,000	1,158	842
Unemployment Insurance	700	360	340
Total Insurance	<u>59,700</u>	<u>55,492</u>	<u>4,208</u>
Payroll (Town Share):			
Medicare	1,900	1,392	508
Retirement	7,500	4,622	2,878
Social Security	8,000	5,950	2,050
Child Care Contribution	0	380	(380)
Vacation Pay	2,500	1,307	1,193
Sick Pay	2,000	1,911	89
Total Payroll (Town Share)	<u>21,900</u>	<u>15,562</u>	<u>6,338</u>
Utilities:			
Electricity (VT Co-Op & Eden 3E LLC)	1,500	980	520
Office Heat (LP Gas)	2,500	267	2,233
Street Lights	1,300	810	490
Telephone/Internet	1,700	1,585	115
Total Utilities	<u>7,000</u>	<u>3,642</u>	<u>3,358</u>
Fire Department:	<u>42,225</u>	<u>42,225</u>	<u>0</u>

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TOWN OF EDEN, 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 JUNE 30, 2025

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Assessors:</b>			
Advertising	\$ 100	\$ 0	\$ 100
Computer Expense	800	351	449
Hired Service	15,000	13,440	1,560
Labor	2,500	2,828	(328)
Mileage	100	0	100
Postage	150	280	(130)
Proval Contract (Software)	2,800	2,781	19
Seminars/Training/Conferences	50	0	50
Supplies	100	0	100
Tax/GIS Maps	4,000	6,650	(2,650)
Telephone	1,700	1,385	315
<b>Total Assessors</b>	<b>27,300</b>	<b>27,715</b>	<b>(415)</b>
<b>Dog Officer:</b>			
Advertising	100	0	100
Feeding Fees	100	0	100
Impound Fees	150	0	150
Labor	2,500	800	1,700
Mileage	500	145	355
Miscellaneous (Smartline)	120	0	120
Supplies (Magnetic Sign)	275	401	(126)
<b>Total Dog Officer</b>	<b>3,745</b>	<b>1,346</b>	<b>2,399</b>
<b>Health Officer:</b>			
Advertising	100	0	100
Labor	1,400	1,286	114
Mileage	50	0	50
Postage	25	0	25
Seminars	25	0	25
<b>Total Health Officer</b>	<b>1,600</b>	<b>1,286</b>	<b>314</b>
<b>Planning Commission:</b>			
Advertising	50	0	50
Membership Dues/LCPC Appropriation	929	929	0
Supplies	50	0	50
<b>Total Planning Commission</b>	<b>1,029</b>	<b>929</b>	<b>100</b>

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TOWN OF EDEN, 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 JUNE 30, 2025

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Miscellaneous:			
Advertising	\$ 500	\$ 237	\$ 263
Condolence	0	200	(200)
Dues (VLCT)	3,000	3,015	(15)
Generator Maintenance (School)	500	969	(469)
Green-Up Day	100	0	100
Leases/Church & School	50	50	0
Total Miscellaneous	<u>4,150</u>	<u>4,471</u>	<u>(321)</u>
Legal Expenses:			
Animal Control	400	30	370
Delinquent Taxes	1,000	788	212
Health	800	0	800
Highway	1,000	0	1,000
Listers	800	0	800
Town	1,000	5,295	(4,295)
Total Legal Expenses	<u>5,000</u>	<u>6,113</u>	<u>(1,113)</u>
Professional Expenses:			
Outside Audit	3,000	3,000	0
Total Professional Expenses	<u>3,000</u>	<u>3,000</u>	<u>0</u>
New Equipment Funds:			
Fire Department Equipment Reserve Fund	15,000	15,000	0
Fire Truck Appr. Annual (22/23 to 27/28)	35,000	35,000	0
Town of Eden Equipment Fund	46,000	46,000	0
Total New Equipment Funds	<u>96,000</u>	<u>96,000</u>	<u>0</u>
Assessments & Contracts:			
Ambulance Service	59,635	59,635	0
Lamoille County Tax	15,492	17,938	(2,446)
Lamoille Sheriff's Department	32,323	32,323	0
Lamoille County Sheriff's Department Emergency Response Coverage	1,000	1,911	(911)
Total Assessments & Contracts	<u>108,450</u>	<u>111,807</u>	<u>(3,357)</u>
Lamoille Regional Solid Waste Management District:			
Labor	300	234	66
Supervisor's Expense	300	329	(29)
Total Lamoille Regional Solid Waste Management District	<u>600</u>	<u>563</u>	<u>37</u>

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TOWN OF EDEN, 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 JUNE 30, 2025

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Appropriations - Local:</b>			
Afterschool Program	\$ 4,000	\$ 4,000	\$ 0
Eden Cemetery Association	7,500	7,500	0
Eden Historical Society	2,000	2,000	0
Eden Youth Sports Committee	4,500	4,500	0
Lake Eden Swim Program	1,000	1,000	0
Lake Eden Greeter Program	4,000	4,000	0
Total Appropriations - Local	23,000	23,000	0
<b>Appropriations - County/State:</b>			
American Red Cross	250	250	0
Central VT Adult Basic Education	500	500	0
Central VT Council On Aging & RSVP	800	800	0
Clarina H. Nichols Center	400	400	0
Lamoille Community Food Share	250	250	0
Lamoille County Mental Health Services	750	750	0
Lamoille Co. Special Investigation Unit	854	854	0
Lamoille Economic Development Corporation	150	150	0
Lamoille Family Center	500	500	0
Lamoille Home Health & Hospice	3,969	3,969	0
Lamoille Housing Partnership	200	200	0
Lamoille Restorative Center (Court Diversion)	250	250	0
Meals On Wheels of Lamoille County	500	500	0
North Country Animal League	500	500	0
Rural Community Transportation	1,350	1,350	0
VT Association for the Blind	100	100	0
VT Center For Independent Living	165	165	0
VT Rural Fire Protection Task Force	100	100	0
Total Appropriations - County/State:	11,588	11,588	0
Total Cash Disbursements	575,197	523,556	51,641
Excess/(Deficiency) of Cash Receipts			
Over Cash Disbursements	\$ (69,103)	41,559	\$ 110,662
<b>Adjustments to Reconcile from Budgetary Basis of Accounting</b>			
<b>to the Modified Cash Basis of Accounting:</b>			
Unbudgeted Lake Eden Greeter Grant Match		(2,293)	
Rainy Day Reserve Fund Interest Income		533	
Outside Audit Reserve Fund Appropriation		3,000	
Lake Eden Recreation Fund Income		65,758	
Lake Eden Recreation Fund Appropriation		1,000	
Lake Eden Recreation Fund Expenses		(62,925)	
Net Change in Fund Balance		46,632	
Fund Balance - July 1, 2024, As Restated		153,306	
Fund Balance - June 30, 2025		\$ 199,938	

The reconciling items are due to an unbudgeted grant match and to combining three (3) funds, the Rainy Day Reserve Fund, the Outside Audit Reserve Fund, and the Lake Eden Recreation Fund in order to comply with GASB Statement no. 54.

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TOWN OF EDEN, VERMONT  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS  
HIGHWAY FUND  
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Cash Receipts:</b>			
Property Taxes	\$ 578,605	\$ 578,605	\$ 0
State of Vermont Highway Aid	76,000	76,419	419
Permits	450	935	485
Town Office Snow Removal	0	1,500	1,500
<b>Total Cash Receipts</b>	<b>655,055</b>	<b>657,459</b>	<b>2,404</b>
<b>Cash Disbursements:</b>			
<b>Winter Roads:</b>			
Cold Patch	1,000	2,321	(1,321)
Equipment Labor	9,000	5,142	3,858
Gravel/Stone	10,000	14,000	(4,000)
Hired Equipment	500	0	500
Labor	68,000	87,915	(19,915)
Salt	12,000	10,327	1,673
Sand	62,100	49,058	13,042
<b>Total Winter Roads</b>	<b>162,600</b>	<b>168,763</b>	<b>(6,163)</b>
<b>Summer Roads:</b>			
Beaver Trapping	500	165	335
Chloride	16,500	16,020	480
Culverts	8,000	0	8,000
Equipment Labor	7,500	6,401	1,099
Gravel/Materials	15,000	49,163	(34,163)
Hired Equipment	9,000	4,605	4,395
Labor	45,000	45,718	(718)
Roadside Mowing	8,500	0	8,500
Asphalt/Cold Patch	0	6,049	(6,049)
<b>Total Summer Roads</b>	<b>110,000</b>	<b>128,121</b>	<b>(18,121)</b>
<b>Summer Construction:</b>			
Chloride	500	0	500
Culverts	5,000	786	4,214
Gravel/Materials	20,000	14,693	5,307
Hired Equipment	10,000	6,825	3,175
Labor	4,000	6,240	(2,240)
<b>Total Summer Construction</b>	<b>39,500</b>	<b>28,544</b>	<b>10,956</b>
<b>Class 3 &amp; 4 Roads:</b>			
Culverts	4,000	0	4,000
Gravel/Materials	3,000	14,672	(11,672)
Hired Equipment	3,000	0	3,000
Labor	4,500	1,056	3,444
Miscellaneous	1,000	0	1,000
<b>Total Class 3 &amp; 4 Roads</b>	<b>15,500</b>	<b>15,728</b>	<b>(228)</b>

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TOWN OF EDEN, VERMONT  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS  
HIGHWAY FUND  
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Municipal Roads General Permit (MRGP):			
Gravel/Materials	\$ 5,000	\$ 0	\$ 5,000
Hired Equipment	5,000	0	5,000
Permit	1,765	1,350	415
Labor	3,000	0	3,000
	<u>14,765</u>	<u>1,350</u>	<u>13,415</u>
Total Municipal Roads General Permit (MRGP)			
Insurance/Payroll (Town Share):			
Accident Deductible	1,000	0	1,000
Disability & Life	550	412	138
Health/Hospitalization	62,000	51,461	10,539
Property & Casualty	8,500	8,757	(257)
Workers Compensation Insurance	8,000	12,523	(4,523)
Unemployment Insurance	240	287	(47)
Town Share Medicare	2,400	2,287	113
Town Share Retirement	10,000	12,002	(2,002)
Town Share Social Security	10,500	9,780	720
Child Care Contribution	0	734	(734)
Vacation Pay	8,000	12,472	(4,472)
Sick Pay	2,200	5,094	(2,894)
	<u>113,390</u>	<u>115,809</u>	<u>(2,419)</u>
Total Insurance/Payroll (Town Share)			
Town Garage:			
911 Road Signs	500	552	(52)
Advertising	500	485	15
Building Maintenance	5,000	281	4,719
Dry Hydrant	750	537	213
Electricity	2,600	2,239	361
Firewood	1,500	1,600	(100)
Heat (LP Gas)	1,000	3,071	(2,071)
Labor	1,500	965	535
Rubbish Removal	1,100	1,567	(467)
Seminars	500	260	240
Supplies	3,500	4,208	(708)
Telephone	650	2,186	(1,536)
Tools	1,000	182	818
Uniforms	2,500	2,633	(133)
	<u>22,600</u>	<u>20,766</u>	<u>1,834</u>
Total Town Garage			
Equipment Maintenance:			
2001 International Truck #1	1,000	138	862
2012 Freightliner Truck #4	15,000	16,655	(1,655)
2018 Freightliner Truck #2	7,500	7,249	251
2018 Ford Pickup Truck #3	2,000	5,777	(3,777)
2024 Western Star Truck #5	0	9,142	(9,142)
Acetylene & Oxygen	500	200	300
All Equipment	7,000	4,370	2,630
Power Tools/Chain Saw	1,500	131	1,369

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TOWN OF EDEN, VERMONT  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CHANGES IN MODIFIED CASH BASIS FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS  
HIGHWAY FUND  
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance Favorable/ (Unfavorable)
Equipment Maintenance/(Cont'd):			
Diesel Fuel & Oil	\$ 50,000	\$ 36,795	\$ 13,205
Gasoline	4,500	3,869	631
Grader	7,000	8,492	(1,492)
Grizzly	300	0	300
Loader	5,000	966	4,034
Plows	6,000	3,221	2,779
Pressure Washer	400	912	(512)
Radios	500	0	500
Safety Equipment	500	550	(50)
Sweeper	2,500	2	2,498
Sanders	5,500	5,263	237
Mulcher	0	401	(401)
Miscellaneous	0	216	(216)
Total Equipment Maintenance	<u>116,700</u>	<u>104,349</u>	<u>12,351</u>
Infrastructure Improvements:			
Paving & Structures	<u>60,000</u>	<u>60,000</u>	<u>0</u>
Total Infrastructure Improvements	<u>60,000</u>	<u>60,000</u>	<u>0</u>
Total Cash Disbursements	<u>655,055</u>	<u>643,430</u>	<u>11,625</u>
Excess of Cash Receipts			
Over Cash Disbursements	\$ <u>0</u>	14,029	\$ <u>14,029</u>
Adjustments to Reconcile from Budgetary Basis of Accounting to the Modified Cash Basis of Accounting:			
Unbudgeted Transfer In - FEMA Grant		66,121	
Unbudgeted Transfer In - Highway Reserve Fund		185,112	
Unbudgeted Transfers Out - Grant Matches		(455,526)	
Unbudgeted Transfer Out - MRGP Grant Match		(28,525)	
Highway Reserve Fund - Transfer Out		<u>(185,112)</u>	
Net Change in Fund Balance		(403,901)	
Fund Balance - July 1, 2024		<u>752,263</u>	
Fund Balance - June 30, 2025		\$ <u>348,362</u>	

The reconciling items are due an unbudgeted transfers in/out and combining one (1) fund, the Highway Reserve Fund with the Highway Fund.

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TOWN OF EDEN, VERMONT  
 COMBINING SCHEDULE OF MODIFIED CASH BASIS  
 ASSETS, LIABILITIES AND FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2025

	Special Revenue Funds	Capital Projects Funds	Permanent Fund Eden Cemetery Fund	Total
<u>ASSETS</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Cash	\$ 5,426	\$ 0	\$ 35,323	\$ 40,749
Investments	165,000	0	60,000	225,000
Due from Other Funds	<u>121,609</u>	<u>816,173</u>	<u>0</u>	<u>937,782</u>
Total Assets	<u>\$ 292,035</u>	<u>\$ 816,173</u>	<u>\$ 95,323</u>	<u>\$ 1,203,531</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	65,443	65,443
Restricted	88,844	0	29,880	118,724
Committed	46,132	816,173	0	862,305
Assigned	<u>157,059</u>	<u>0</u>	<u>0</u>	<u>157,059</u>
Total Fund Balances	<u>292,035</u>	<u>816,173</u>	<u>95,323</u>	<u>1,203,531</u>
Total Liabilities and Fund Balances	<u>\$ 292,035</u>	<u>\$ 816,173</u>	<u>\$ 95,323</u>	<u>\$ 1,203,531</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF EDEN, VERMONT  
 COMBINING SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS AND  
 CHANGES IN MODIFIED CASH BASIS FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2025

	Special Revenue Funds	Capital Projects Funds	Permanent Fund Eden Cemetery Fund	Total
Cash Receipts:				
Intergovernmental	\$ 8,873	\$ 0	\$ 0	\$ 8,873
Charges for Services	1,775	0	1,730	3,505
Permits, Licenses and Fees	5,690	0	0	5,690
Investment Income	8,066	557	2,502	11,125
Donations	3,873	0	0	3,873
	<u>28,277</u>	<u>557</u>	<u>4,232</u>	<u>33,066</u>
Total Cash Receipts				
Cash Disbursements:				
General Government	11,368	1,629	0	12,997
Culture and Recreation	8,285	0	0	8,285
Cemetery	0	0	6,986	6,986
	<u>19,653</u>	<u>1,629</u>	<u>6,986</u>	<u>28,268</u>
Total Cash Disbursements				
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	<u>8,624</u>	<u>(1,072)</u>	<u>(2,754)</u>	<u>4,798</u>
Other Financing Sources/(Uses):				
Transfers In	23,741	309,220	7,500	340,461
Transfers Out	<u>(243,589)</u>	<u>(15,000)</u>	<u>0</u>	<u>(258,589)</u>
	<u>(219,848)</u>	<u>294,220</u>	<u>7,500</u>	<u>81,872</u>
Total Other Financing Sources/(Uses)				
Net Change in Fund Balances	(211,224)	293,148	4,746	86,670
Fund Balances - July 1, 2024	<u>503,259</u>	<u>523,025</u>	<u>90,577</u>	<u>1,116,861</u>
Fund Balances - June 30, 2025	<u>\$ 292,035</u>	<u>\$ 816,173</u>	<u>\$ 95,323</u>	<u>\$ 1,203,531</u>

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TOWN OF EDEN, VERMONT  
 COMBINING SCHEDULE OF MODIFIED CASH BASIS  
 ASSETS, LIABILITIES AND FUND BALANCES  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2025

	Reappraisal Fund	Eden Youth Sports Fund	ARPA Fund	Records Restoration Fund	Lister Education Fund	Lake Eden Milfoil Reserve Fund	Lake Eden Prevention Fund	Total
<u>ASSETS</u>								
Cash	\$ 0	\$ 5,425	\$ 1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,426
Investments	147,000	18,000	0	0	0	0	0	165,000
Due from Other Funds	<u>10,058</u>	<u>0</u>	<u>0</u>	<u>81,347</u>	<u>7,497</u>	<u>22,707</u>	<u>0</u>	<u>121,609</u>
Total Assets	<u>\$ 157,058</u>	<u>\$ 23,425</u>	<u>\$ 1</u>	<u>\$ 81,347</u>	<u>\$ 7,497</u>	<u>\$ 22,707</u>	<u>\$ 0</u>	<u>\$ 292,035</u>
<u>LIABILITIES AND FUND BALANCES</u>								
Liabilities:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund Balances:								
Restricted	0	0	0	81,347	7,497	0	0	88,844
Committed	0	23,425	0	0	0	22,707	0	46,132
Assigned	<u>157,058</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>157,059</u>
Total Fund Balances	<u>157,058</u>	<u>23,425</u>	<u>1</u>	<u>81,347</u>	<u>7,497</u>	<u>22,707</u>	<u>0</u>	<u>292,035</u>
Total Liabilities and Fund Balances	<u>\$ 157,058</u>	<u>\$ 23,425</u>	<u>\$ 1</u>	<u>\$ 81,347</u>	<u>\$ 7,497</u>	<u>\$ 22,707</u>	<u>\$ 0</u>	<u>\$ 292,035</u>

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TOWN OF EDEN, 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 JUNE 30, 2025

	Reappraisal Fund	Eden Youth Sports Fund	ARPA Fund	Records Restoration Fund	Lister Education Fund	Lake Eden Milfoil Reserve Fund	Lake Eden Prevention Fund	Total
<b>Cash Receipts:</b>								
Intergovernmental	\$ 7,939	\$ 0	\$ 0	\$ 0	\$ 934	\$ 0	\$ 0	\$ 8,873
Charges for Services	0	1,775	0	0	0	0	0	1,775
Permits, Licenses and Fees	0	0	0	5,690	0	0	0	5,690
Investment Income	7,070	19	703	274	0	0	0	8,066
Donations	0	3,873	0	0	0	0	0	3,873
<b>Total Cash Receipts</b>	<b>15,009</b>	<b>5,667</b>	<b>703</b>	<b>5,964</b>	<b>934</b>	<b>0</b>	<b>0</b>	<b>28,277</b>
<b>Cash Disbursements:</b>								
General Government	0	0	11,368	0	0	0	0	11,368
Culture and Recreation	0	5,891	0	0	0	2,394	0	8,285
<b>Total Cash Disbursements</b>	<b>0</b>	<b>5,891</b>	<b>11,368</b>	<b>0</b>	<b>0</b>	<b>2,394</b>	<b>0</b>	<b>19,653</b>
<b>Excess/(Deficiency) of Cash Receipts Over Cash Disbursements</b>	<b>15,009</b>	<b>(224)</b>	<b>(10,665)</b>	<b>5,964</b>	<b>934</b>	<b>(2,394)</b>	<b>0</b>	<b>8,624</b>
<b>Other Financing Sources/(Uses):</b>								
Transfers In	0	4,500	0	0	0	15,241	4,000	23,741
Transfers Out	0	0	(234,220)	0	0	0	(9,369)	(243,589)
<b>Total Other Financing Sources/(Uses)</b>	<b>0</b>	<b>4,500</b>	<b>(234,220)</b>	<b>0</b>	<b>0</b>	<b>15,241</b>	<b>(5,369)</b>	<b>(219,848)</b>
<b>Net Change in Fund Balances</b>	<b>15,009</b>	<b>4,276</b>	<b>(244,885)</b>	<b>5,964</b>	<b>934</b>	<b>12,847</b>	<b>(5,369)</b>	<b>(211,224)</b>
<b>Fund Balances - July 1, 2024</b>	<b>142,049</b>	<b>19,149</b>	<b>244,886</b>	<b>75,383</b>	<b>6,563</b>	<b>9,860</b>	<b>5,369</b>	<b>503,259</b>
<b>Fund Balances - June 30, 2025</b>	<b>\$ 157,058</b>	<b>\$ 23,425</b>	<b>\$ 1</b>	<b>\$ 81,347</b>	<b>\$ 7,497</b>	<b>\$ 22,707</b>	<b>\$ 0</b>	<b>\$ 292,035</b>

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TOWN OF EDEN, VERMONT  
 COMBINING SCHEDULE OF MODIFIED CASH BASIS  
 ASSETS, LIABILITIES AND FUND BALANCES  
 NON-MAJOR CAPITAL PROJECTS FUNDS  
 JUNE 30, 2025

	Town Clerk's Addition Reserve Fund	Future Improvement Fund	Fire Department Equipment Reserve Fund	Lake Eden Recreation Area Reserve Fund	Paving and Structures Fund	Total
<u>ASSETS</u>						
Due from Other Funds	\$ <u>234,248</u>	\$ <u>153,913</u>	\$ <u>110,617</u>	\$ <u>96,962</u>	\$ <u>220,433</u>	\$ <u>816,173</u>
Total Assets	\$ <u><u>234,248</u></u>	\$ <u><u>153,913</u></u>	\$ <u><u>110,617</u></u>	\$ <u><u>96,962</u></u>	\$ <u><u>220,433</u></u>	\$ <u><u>816,173</u></u>
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Fund Balances:						
Committed	<u>234,248</u>	<u>153,913</u>	<u>110,617</u>	<u>96,962</u>	<u>220,433</u>	<u>816,173</u>
Total Fund Balances	<u>234,248</u>	<u>153,913</u>	<u>110,617</u>	<u>96,962</u>	<u>220,433</u>	<u>816,173</u>
Total Liabilities and Fund Balances	\$ <u><u>234,248</u></u>	\$ <u><u>153,913</u></u>	\$ <u><u>110,617</u></u>	\$ <u><u>96,962</u></u>	\$ <u><u>220,433</u></u>	\$ <u><u>816,173</u></u>

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TOWN OF EDEN, 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 JUNE 30, 2025

	Town Clerk's Addition Reserve Fund	Future Improvement Fund	Fire Department Equipment Reserve Fund	Lake Eden Recreation Area Reserve Fund	Paving and Structures Fund	Total
<b>Cash Receipts:</b>						
Investment Income	\$ 28	\$ 0	\$ 0	\$ 529	\$ 0	\$ 557
Total Cash Receipts	<u>28</u>	<u>0</u>	<u>0</u>	<u>529</u>	<u>0</u>	<u>557</u>
<b>Cash Disbursements:</b>						
General Government	0	1,629	0	0	0	1,629
Total Cash Disbursements	<u>0</u>	<u>1,629</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,629</u>
Excess/(Deficiency) of Cash Receipts Over Cash Disbursements	<u>28</u>	<u>(1,629)</u>	<u>0</u>	<u>529</u>	<u>0</u>	<u>(1,072)</u>
<b>Other Financing Sources/(Uses):</b>						
Transfers In	234,220	0	15,000	0	60,000	309,220
Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>(15,000)</u>	<u>0</u>	<u>(15,000)</u>
Total Other Financing Sources/(Uses)	<u>234,220</u>	<u>0</u>	<u>15,000</u>	<u>(15,000)</u>	<u>60,000</u>	<u>294,220</u>
Net Change in Fund Balances	234,248	(1,629)	15,000	(14,471)	60,000	293,148
Fund Balances - July 1, 2024	<u>0</u>	<u>155,542</u>	<u>95,617</u>	<u>111,433</u>	<u>160,433</u>	<u>523,025</u>
Fund Balances - June 30, 2025	<u>\$ 234,248</u>	<u>\$ 153,913</u>	<u>\$ 110,617</u>	<u>\$ 96,962</u>	<u>\$ 220,433</u>	<u>\$ 816,173</u>

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# Sullivan, Powers & Co., P.C.

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## 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 Eden, Vermont  
71 Old School House Road  
Eden Mills, VT 05653

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 Eden, Vermont, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Town of Eden, Vermont's basic financial statements, and have issued our report thereon dated May 13, 2026.

### ***Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Deficiencies in Internal Control as Item 2025-001 that we consider to be a significant deficiency.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Town of Eden, 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 Eden, Vermont's Response to Findings***

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

### ***Purpose of this Report***

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

*Sullivan, Powers & Co.*

May 13, 2026  
Montpelier, Vermont  
VT Lic. #92-000180

TOWN OF EDEN, VERMONT  
SCHEDULE OF FINDINGS AND DEFICIENCIES  
IN INTERNAL CONTROL  
JUNE 30, 2025

Deficiencies in Internal Control:

Material Weakness:

None Noted

Significant Deficiency:

2025-001 Authorization of General Journal Entries

*Criteria:*

Internal controls should be in place that require appropriate individuals to approve all adjustments to the books of original entry.

*Condition:*

Internal controls over recording of journal entries are inadequately designed. Journal entries posted are not consistently reviewed by another individual.

*Cause:*

Unknown.

*Effect:*

This one deficiency in internal control structure could allow other working control policies to be circumvented.

*Recommendation:*

We recommend that the Town enact a policy that requires appropriate officials to authorize and review all general journal entries so as not to circumvent the original approval process.

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May 13, 2026

Sullivan, Powers & Company  
77 Barre Street  
Montpelier, VT 05601

In regards to Finding 2025-001: Authorization of General Journal Entries, the Town of Eden will establish procedures to ensure that all journal entries are reviewed and approved by either our locally elected auditors or the Selectboard on a monthly basis. This is in addition to keeping them in a binder with supporting documentation, which is our current practice.

Thank you,



Melissa Whitcomb  
Clerk/Treasurer